

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

De.mem Limited

ABN

12 614 756 642

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	13	13
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(74)	(74)
(c) administration and corporate costs	(14)	(14)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other receipts	8	8
1.9 Net cash from / (used in) operating activities*	(65)	(65)

* Note that cash inflows / outflows from Operating Activities above only include cashflows related to De.mem Pte Ltd (Singapore) from acquisition date of 14 March 2017 – see item 10

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(15)	(15)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities**	(293)	(293)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities*	(308)	(308)

* Note that cash inflows / outflows from Investing Activities above only include cashflows related to De.mem Pte Ltd (Singapore) from acquisition date of 14 March 2017 – see item 10

**loan from De.mem Limited to De.mem Pte Ltd (see note 7)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	4,501	4,501
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(208)	(208)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities*	4,293	4,293

* Note that cash inflows / outflows from Financing Activities above only includes cashflows related to De.mem Pte Ltd (Singapore) from acquisition date of 14 March 2017 – see item 10

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	982	982
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(65)	(65)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(308)	(308)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,293	4,293

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	4,902	4,902

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,902	4,902
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,902	4,902

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

33

-

Relates to salary and Director fees paid to Directors.
Also includes payments to Ventnor Capital Pty Ltd, a company associated with Director Stuart Carmichael as consideration for corporate advisory services in connection with the Company listing on the ASX.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

293

-

Payments were made from De.mem Limited to fully owned subsidiary De.mem Pte Ltd under a loan agreement.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	30
9.2 Product manufacturing, employee and operating costs	150
9.3 NF membrane plant setup	300*
9.4 Advertising and marketing	40
9.6 Administration and corporate costs	150
9.7 Capital raising costs – IPO	350*
9.8 Total estimated cash outflows (excludes revenue generated by existing or future contracts)	1,020
*one off cost for the quarter	

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	De.mem Pte Ltd	-
10.2 Place of incorporation or registration	Singapore	-
10.3 Consideration for acquisition or disposal	65,000,000 fully paid ordinary shares	-
10.4 Total net assets	~\$1.2 million	-
10.5 Nature of business	Waste water treatment provider	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Director/Company secretary)

Date:28 April 2017.....

Print name:Brett Tucker.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.