

# ASX: LVH MARKET RELEASE

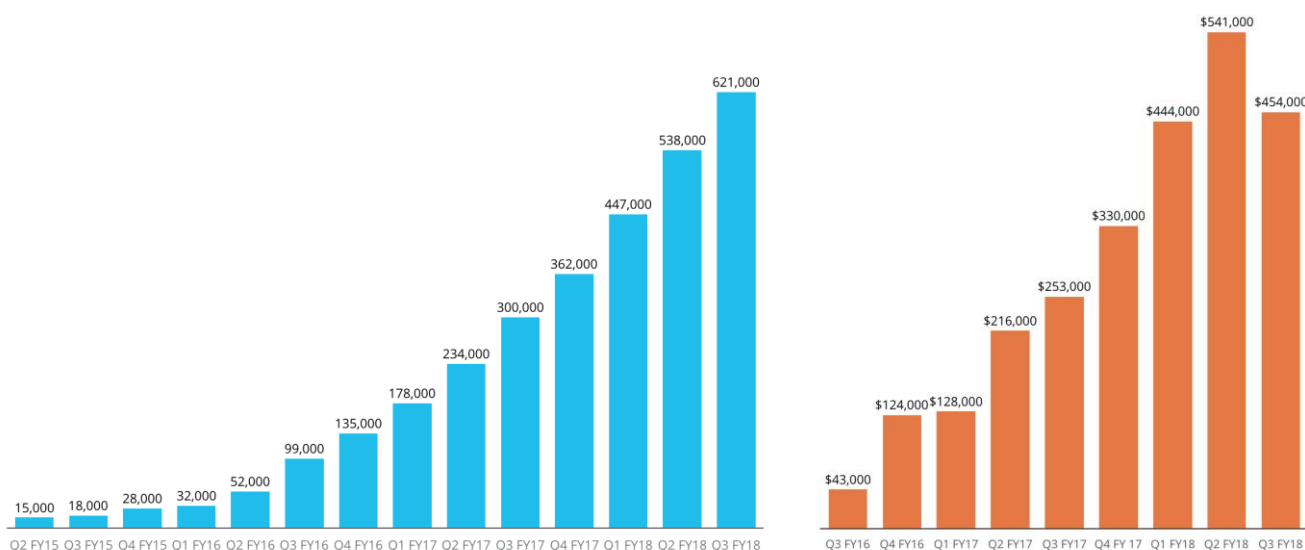
## LiveHire March Quarterly Report and Appendix 4C

23 April 2018 | Melbourne, Victoria

### Quarter Highlights

- LiveHire's key performance metric and revenue lead indicator, Talent Community Connections (TCCs), increased exponentially for the quarter to 621,066 TCCs (15% QoQ).
- Cash receipts for the quarter were \$454,000, down 16% on previous quarter due mainly to the effect of timing of payment cycles and the migration of some existing clients to upfront 12-month contracts. The first three quarters of FY18 cash receipts are up 141% on the previous corresponding three quarters.
- The cash balance as at end of the quarter was above expectations at \$31.5m, with no debt.
- [Click here](#) to view a short video overview of the past quarter and a snapshot of the future with Growth Director and Founder, Mike Haywood.

*Talent Community Connection exponential growth and corresponding cash receipts*



- Experienced strong sales momentum, as the expanded sales team continue to grow their respective pipelines, with six customer wins across Construction, Resources, Telecommunications, Mining Services, Real Estate, and Government.
- LiveHire successfully introduced upfront pricing to its commercial model during the quarter, following two quarters of planning and testing. The upfront pricing model, once fully established, is expected to accelerate cash inflows to LiveHire, whilst providing clients with certainty of costs, based on their hiring volumes.
- Recruitment Process Outsourcing (RPO) channel partnership prospects continued to accelerate, with ~20% of the forward-looking APAC sales pipeline now made up of Randstad Sourceright and two additional global top 10 RPO providers.
- LiveHire has completed a major 6-month integration with the 'Apply with SEEK' product provided by SEEK Limited. SEEK is the market leader in Australia for job advertising and applicant sourcing, delivering a significant number of highly qualified candidates to employers of all sizes.
- LiveHire further deepened integrations with SAP Success Factors, to now provide two-way real-time synchronisation of candidate data and recruiter activity. The integration positions LiveHire as a simple and attractive addition for SAP clients, and a central source of data when used in combination with SAP Success Factors, the leading global human resource information system (HRIS) with over 6,000 clients.
- LiveHire successfully hired and appointed the Head of Integrations, along with an accompanying team, as the Company ramps up its global integrations with SAP, Oracle, Workday, Google Cloud Jobs Discovery API and Apply with SEEK, and commences work to expand its API functionalities for 3<sup>rd</sup> party HR software and app integrations.
- Michael Rennie was appointed to the LiveHire Board as an independent Non-Executive Director, after 32 years of service and four years on the global board of McKinsey & Company. Rennie led the Organisational Design and People Advisory Practice, leadership coaching for the 500 most senior partners across McKinsey, as well as the HR Technology Research Centre out of Silicon Valley.

**Melbourne, 23<sup>rd</sup> April 2018**, LiveHire Limited (ASX: LVH), the Talent Community software platform providing an enterprise scale, human-cloud hiring ecosystem for entire industries, is pleased to release its March Quarterly Report and Cash Flow report for the period ending 31 March 2018.

### **LiveHire's strategy for sustained ecosystem growth**

LiveHire's purpose of empowering the flow of the world's talent, to create a more agile, open and awesome working world, is achieved through networked growth of private TCCs. LiveHire is focused on delivering against its three strategic pillars required for rapid ecosystem growth and extremely strong YoY TCC growth, which remains on-track.

Companies spend more than **US\$240 billion annually** on Talent Acquisition in the US alone<sup>1</sup>. Most this spend is currently on inefficient administrative tasks, not cloud technology. This immense spend on inefficient processes is the reason LiveHire was created, to provide a productivity and collaboration

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<sup>1</sup> <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/human-capital/us-hc-disruptions.pdf>

platform for recruitment teams. Globally the problem and opportunity is similar. LiveHire's strategy is to rapidly expand in APAC past critical mass. LiveHire may further expand internationally first with RPO and Consulting partnerships as the opportunities arise.

The foundations of long-term, sustainable, exponential growth of TCCs will come from the ongoing launch of more Live Talent Communities, achieved through:

- RPO partnerships, initially in the APAC region;
- A high-quality enterprise direct sales team to drive wide spread adoption in each key industry LiveHire enters; and
- Integrations with the largest global Human Resource Information Systems (**HRIS**) to capture talent relationships of each organisation into a single Talent Community.

This three-pillar approach aims to provide LiveHire with the ability to ultimately reach, deploy, and cost effectively service most clients in its total addressable market, whilst deploying capital effectively into customer success, and ongoing product development and innovation.

**LiveHire Managing Director, Antonluigi Gozzi, said:** *"LiveHire continues to generate positive sales momentum through a growing pipeline in direct sales, as well as increasing pipeline from three of the global top 10 RPOs, now representing 20% of our total pipeline. Through channel partnerships and direct sales to both medium and large enterprises, we are laying the foundations for continued exponential year on year growth."*

*"We have achieved major progress this quarter with the completion of upstream integrations with SEEK and other important technologies. This major investment in seamless integrations and technology partnerships paves the way for some exciting and sustained long-term ecosystem growth."*

*"We have also completed a very fruitful trip to the US in April, where now more than ever, we are convinced LiveHire is the first mover in a new category of Human Capital productivity and collaboration software, solving the critical issue of workforce agility and responsiveness, for organisations globally."*

### **Talent Community Connections for March quarter grew to 621,066**

LiveHire produced its 3<sup>rd</sup> highest quarterly growth in absolute TCCs numbers since inception, growing the ecosystem by 83,000 TCCs since last quarter (15% QoQ). Although the quarterly growth was below the Company's 20% QoQ goal, future positive step changes are expected as large enterprise and RPO led sales conversions go live. Management remains focused upon achieving 20% QoQ growth and, most importantly, 100%+ annual growth in TCCs. Due to the enterprise sales nature of the Company, QoQ growth rates will continue to fluctuate depending on timing of launches of major Talent Communities. The Company achieved 107% TCC growth over the past four quarters (YoY).

LiveHire is not yet actively cross connecting Talent to multiple communities to grow the ecosystem, instead enabling clients to organically market and grow their Talent Communities, as well as through inviting selective parts of their past applicant databases.

**Cash receipts for Q3 were \$454,000, new upfront pricing model generated expected volatility**

Cash receipts for the quarter were \$454,000, down 16% on last quarter. The timing of cash receipts from existing clients, combined with the gradual migration of existing clients to upfront pricing will result in cash receipts experiencing some QoQ fluctuations. TCCs remain the lead indicator of recurring revenue, and LiveHire is focused on 100%+ YoY growth of the TCC ecosystem by investing and laying the foundations to deliver exponential growth in TCCs. Four quarter cash receipts were up 145% on the previous corresponding four quarter period.

Operating cash outflow was \$2.59m, below estimated cash outflows provided in the December quarterly 4C report. Net cash outflow was \$2.06m. The cash balance as at end of the quarter was above expectations at \$31.5m, with no debt. Management continues to carefully manage costs, in-line with the approved FY18 strategy and budget.

The Company is investing in RPO channel partnerships and marketing for continued ecosystem growth, along with the product and development team investment in ongoing feature enhancements within the platform, Artificial Intelligence (AI), Machine Learning, technology integrations, and global technology product partnerships to maintain strong first mover advantage.

**Direct Sales Pipeline continues to grow**

The direct (field) sales team experienced strong momentum this quarter, as the expanded sales team continues to grow their respective pipelines, with six wins across Construction, Mining & Resources, Mining Services, Telecommunications, Real Estate, and Government.

Pipeline coverage is an important KPI for the enterprise sales team and provides a good leading indicator of future sales results. Pipeline coverage has been increasing over the past quarter as the new field sales team continues to ramp towards full productivity. LiveHire places significant focus on its pipeline that is maturing, measuring the pipeline from a rolling 3 and 6-month perspective to account for the Company's typical sales cycles across a range of opportunity types.

The Company's 6-month pipeline is currently comprised of a balanced spread of opportunities, in-line with the Company's sales strategy, aimed at delivering a smooth run rate of new business as the sales team and process move towards full productivity and maturity.

The field sales team has been segmented geographically and by vertical market with team members in various states of Australia: VIC, NSW, QLD & WA (also servicing S.E Asia).

The Company advises it has discontinued Bupa's Talent Communities for digital, optical and GPs, effective from this quarter. All talent will remain within the broader LiveHire ecosystem, and revenue from Bupa was not material. Bupa is currently undertaking a global transformation to deliver a new Human Resource Information System (HRIS), to centralise processes and platforms. LiveHire will aim to re-engage Bupa at the appropriate time to present an integration proposal with the Talent Community to deliver best in class candidate experience and recruitment efficiency.

As previously announced, LiveHire is investing significant resources in Integrations with major HRIS, particularly prioritising SAP (completed), Workday, and Oracle. This is expected to open a large segment

of the market to the benefits of the Talent Community and Talent Pooling platform, including shorter time to hire, best in class candidate experience, less rejection, and improved diversity of hire.

### **LiveHire implements upfront pricing model**

LiveHire officially introduced upfront pricing to its commercial model for Direct Sales during the March quarter, following two quarters of testing with clients. The upfront pricing model, once fully established, is expected to accelerate and increase cash inflows to LiveHire, whilst providing clients with 12-month transparency of costs to fully meet their hiring needs.

LiveHire's pricing model is structured overall with the aim of achieving long-term yield of 50c per TCC per month, and up to 10x ROI for clients who implement Talent Communities<sup>2</sup>.

LiveHire charges a hosting fee to organisations for the use of LiveHire's technology, to market, grow, communicate with and hire candidates from their own private Talent Community, proactively, and on-demand. Candidates can join many Talent Communities with one private profile and data set, generating multiple TCCs per user. LiveHire is free for candidates.

Companies pay a hosting fee, which is a fixed price band, typically paid upfront, 12 months in advance, based on the size of the organisation and their forecast annual hiring requirements. The pricing model is structured on the assumption that customers will grow their Talent Communities on average to 7.5x their workforce.

The shift to the upfront pricing model with existing clients has been introduced, currently on an as-agreed basis, with monthly pricing remaining an option. The shift of existing clients from monthly to 12-month upfront pricing has been in operation for two quarters now and LiveHire expects cash receipts to experience some QoQ fluctuations.

For RPO channel Talent Communities, monthly pricing remains an option, to align with the RPO's typical billing cycles to clients.

### **RPO channel partnerships continue to build momentum**

RPO channel partnerships continued to accelerate, with ~20% of the forward-looking APAC sales pipeline now represented by three of the global top 10 RPO providers.

RPO firms manage all or part of the end-to-end recruitment for ~40% of large enterprises globally, as a managed service, replacing or augmenting the traditional in-house recruitment teams. The top 10 global RPO firms control a major portion of this market.

The RPO channel market is a major growth opportunity for LiveHire, as it has the potential for widespread adoption and rapid spread of the LiveHire software platform, and hence the Talent

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<sup>2</sup> ROI for a client is calculated with reference to the LiveHire fees charged to that client over a 12-month period, best estimates of the client's recruitment costs per hire prior to implementing LiveHire, and the client's savings on recruitment costs delivered via the use of LiveHire for all hires over the 12-month period. Various other factors which are outside of LiveHire's control will affect a client's ROI, including, the client's level of adoption of the LiveHire technology adoption, its recruitment operations and other client specific factors.

Community ecosystem, across the vast portfolio of enterprise clients served through the top 10 global RPO firms.

LiveHire continues to work very closely with Randstad's RPO division, Randstad Sourceright (RSR), across Asia Pacific, as a technology stack for RSR RPO tenders, through supporting RSR's own private LiveHire Talent Community to serve its in-house recruitment to deliver on its RPO services, and through development of bespoke product solutions for the RPO division using the LiveHire platform.

Sales through RPOs are typically longer to convert and implement for the initial several opportunities as it requires establishing a strong partnership and a private and confidential way of working with each RPO provider and end client. Once established, the approach is expected to be very scalable, providing LiveHire access to accelerated growth through a wide range of client portfolios.

LiveHire is investing in its RPO partnership division to support its RPO channel partners with sales and tendering support, implementation and customer success, and technology development and integrations to serve a core part of their global technology stack and competitive offering.

LiveHire will look to host a series of investor calls with some of its RPO partner executives during the June quarter, to fully understand and appreciate the RPO market and channel partner opportunity.

### **LiveHire integrates with 'Apply with SEEK'**

LiveHire has been completing an integration over the past six months with the 'Apply with SEEK' product provided by SEEK Limited, to enable a seamless candidate application experience from SEEK and for the candidate to utilise their SEEK Profile to apply for jobs where LiveHire powers the job application experience for a customer.

SEEK is the market leader in Australia for job advertising and applicant sourcing, delivering a significant number of highly qualified candidates to employers of all sizes.

LiveHire invested a significant amount of resources to deliver on the specifications to create a unique workflow to support applications from SEEK to comply with their solution requirements.

As candidates continue to move to mobile, it is becoming more important to make it easy for them to apply for roles, helping LiveHire and SEEK's mutual clients connect with the right talent. The 'Apply with SEEK' API offers an improved candidate experience by pre-filling a candidate's application on an application form hosted on LiveHire-powered career pages. Using information from their SEEK Profile, candidates can attach their stored CV making it easier to apply on desktop or mobile. This is expected to lead to an improved application time and experience, and enhanced employer brand perception.

The integration is now live for three large customers: Alfred Health, Sydney Water and Roy Hill. In the future, and on an ad hoc approval basis by SEEK, other Talent Community customers can request to access the 'Apply with SEEK' solution to provide a deeply integrated technology solution for applicants searching and applying for jobs through SEEK.

'Apply with SEEK' integration with LiveHire offers a range of benefits to the candidate and employer.

Employers can:

- use an application form hosted on LiveHire powered career pages;
- improve the candidate's brand experience; and
- manage applications through the LiveHire platform.

Candidates can:

- easily apply for roles on the employers' LiveHire career portal;
- use their SEEK profile to prefill application information;
- attach their stored CV to their application; and
- quickly and easily apply for roles on desktop or mobile devices.

An explanation of the 'Apply with SEEK' product from SEEK's website is available at the following link: (<https://devportal.seek.com.au/our-apis/apply-with-seeking/>).

### **LiveHire extends integration with SAP SuccessFactors**

LiveHire's development team has extended the integration with the SAP SuccessFactors HRIS to enable new functionalities to optimise candidate and recruiter experience.

Building a two-way synchronisation of job applications, candidates can now manage any changes to their job applications in SuccessFactors directly from their LiveHire profiles, allowing them to save, continue, withdraw and change their applications. This means LiveHire can power 100% of the SuccessFactors candidate experience from joining the Talent Community or applying for a specific role, directly syncing all the relevant information in the HRIS system of record powered by SAP SuccessFactors.

To improve the recruiter experience, LiveHire has also built a two-way synchronisation of candidate statuses, allowing for recruiters to interact, talent pool, assign to job vacancies, process and hire all candidates on the LiveHire platform, while all information is kept in sync and up-to-date in SAP SuccessFactors. This solution ensures that the LiveHire Talent Community is the central platform for all recruitment activities and is therefore the source of all candidate data, relationship and process management.

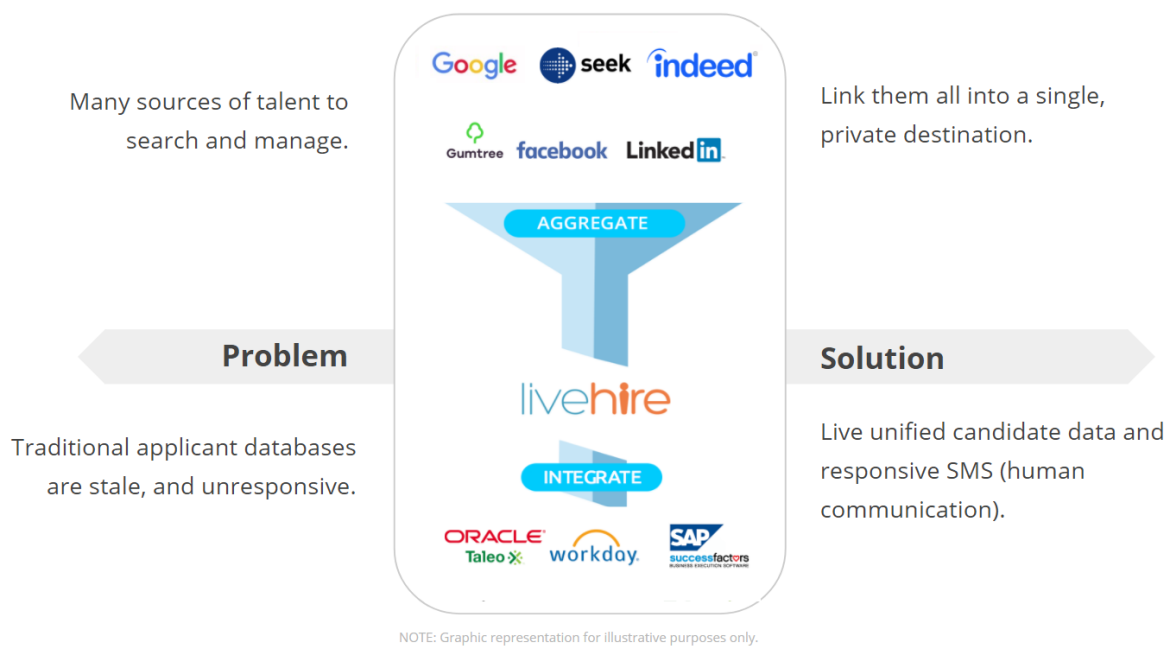
LiveHire will continue to build integrations into the platform that facilitate the recruiter activities from application to hire, providing best in breed solutions at each step of the process.

### **Integrations accelerating upstream and downstream of the LiveHire ecosystem**

LiveHire's integration strategy since listing on the ASX in June 2016 has been extremely consistent, aiming to progressively integrate with the major global sources of talent upstream, to build Talent Communities, whilst aiming to integrate with largest HRIS downstream to manage the flow of talent into and through organisations. As a result of these integrations, LiveHire's ecosystem is likely to be extremely well positioned to scale efficiently and effectively in the future.

## The Talent Technology Landscape

The LiveHire platform has created a whole new global category of productivity and collaboration software in the Human Capital space, unifying and powering the flow of candidate data.



During the March quarter, LiveHire appointed the Head of its integrations team, Dan Harper (ex REA, MYOB, Message Media), along with a team of integration specialists. LiveHire continues to create and expand a new cloud product category focused on productivity and collaboration for human capital teams, aiming to become a single destination and unified source of data for both candidates and organisations, powering responsive human communication, and hiring agility.

As the LiveHire ecosystem and TCCs continue to expand, deep and seamless integrations play an important role both upstream to major sources of talent (SEEK, Google, Indeed, Facebook, LinkedIn, Job Boards, AI, referrals, databases) and downstream to major HRIS (Oracle, SAP, Workday).

LiveHire continues to expand its 3<sup>rd</sup> party HR tech ecosystem, with the aim of expanding its API libraries to assist 3<sup>rd</sup> party HR and recruitment software, AI and widgets, to easily integrate into the LiveHire ecosystem to provide clients with multiple choices of additional custom features, including reference checking, on-boarding, assessments, hiring manager tools, video, AI, chat bots, reporting and analytics and communication methods.

### Michael Rennie appointed to LiveHire Board

LiveHire was delighted to welcome Michael Rennie to the Board of Directors as an independent Non-Executive Director during the quarter, adding an unsurpassed combination of experience across executive leadership, workplace culture, human capital consulting, HR technology and sales. Michael's appointment to the Board is a strong testament to the technology and category LiveHire has created.



Michael recently retired from a 32-year career at McKinsey & Company, the global management consulting firm, focused around four themes: Human Resources, People and Change, Technology, and Growth and Innovation.

Michael founded McKinsey's Organisation Behaviour practice, recognised by clients as the world's leading practice in HR, people and change. It has over 3000 people in 64 countries and works with over 600 of the top 1000 organisations in the world. The practice comprises four sub practices of Organisation Design, Human Resources and Talent, Transformation and Change, and Leadership and Culture.

Michael has overseen McKinsey's global research on the future of technology in HR. This work has looked at the 50 major technology innovations that will impact McKinsey's clients in HR over the next 20 years, led by a Silicon Valley based team.

Michael led all McKinsey's development programs globally for McKinsey's Cell Leaders (CEO style roles) and the 500 most senior partners, from 2010 to 2017.

### **Outcomes from the recent US trip**

LiveHire's Chairman, Geoff Morgan, together with founders Gigi and Mike, travelled to the US over the last few weeks to focus on building relationships with major technology companies, potential RPO partners, investors and potential AI technology partners, and to understand the US market's differences and priorities.

After meeting with Google, LinkedIn, Facebook, Glassdoor, Randstad and many other HR and recruitment technology builders, the Company clearly understands that there is a big need for more collaborative, productive, candidate centred and open API (easily integrating) HR software, and many companies experience serious pains with existing solutions, as well as elongated time to hire and skill shortages.

### **Note to market**

None of the information included in this announcement should be considered individually material, unless specifically stated. All figures in this announcement are provided on an unaudited basis.

### **For more information:**

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[www.livehire.com/investor](http://www.livehire.com/investor)

### **About LiveHire**

LiveHire is a productivity and collaboration platform for talent management that delivers a proactive sourcing and internal mobility solution called Live Talent Communities. The platform makes managing the flow of talent into and through businesses seamless, delivering value through perfect visibility of existing employees, and shifting recruitment of new talent from reactive to proactive, reducing time and cost to hire, with an unrivalled candidate experience.

Founded in 2011, LiveHire is an Australian company headquartered in Melbourne, with offices also in Sydney, Brisbane and Perth.

[www.livehire.com](http://www.livehire.com)

### **Disclaimer**

This announcement contains “forward-looking statements.” These can be identified by words such as “may”, “should”, “anticipate”, “believe”, “intend”, “estimate”, and “expect”. Statements which are not based on historic or current facts may be forward-looking statements. Forward-looking statements are based on:

- assumptions regarding the Company’s financial position, business strategies, plans and objectives of management for future operations and development and the environment in which the Company will operate; and
- current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained within the presentations are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which may cause the actual results, performance or achievements of the Company to differ materially from those expressed or implied by forward-looking statements. For example, the factors that are likely to affect the results of the Company include general economic conditions in Australia and globally; exchange rates; competition in the markets in which the Company does and will operate; weather and climate conditions; and the inherent regulatory risks in the businesses of the Company. The forward-looking statements contained in this announcement should not be taken as implying that the assumptions on which the projections have been prepared are correct or exhaustive. The Company disclaims any responsibility for the accuracy or completeness of any forward-looking statement. The Company disclaims any responsibility to update or revise any forward-looking statements to reflect any change in the Company’s financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based, except as required by law. The projections or forecasts included in this presentation have not been audited, examined or otherwise reviewed by the independent auditors of the Company.

You must not place undue reliance on these forward-looking statements.

## 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**

LiveHire Limited

**ABN**

59 153 266 605

**Quarter ended ("current quarter")**

31<sup>st</sup> March 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	454	1,439
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing	(27)	(165)
(d) leased assets		
(e) staff costs	(1,754)	(4,956)
(f) administration and corporate costs	(810)	(2,016)
1.3 Dividends received (see note 3)		
1.4 Interest received	135	320
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,002)</b>	<b>(5,378)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(41)	(93)
(b) businesses (see item 10)		
(c) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(d) intellectual property		
	(e) other non-current assets		
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		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(41)</b>	<b>(93)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	(18)	20,119
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		
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 - IPO / Capital Raising Transaction Costs	0	(872)
3.10	<b>Net cash from / (used in) financing activities</b>	<b>(18)</b>	<b>19,247</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	33,585	17,748
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,002)	(5,378)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(41)	(93)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(18)	19,247

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>31,524</b>	<b>31,524</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	949	1,000
5.2 Call deposits	30,505	32,553
5.3 Bank overdrafts		
5.4 Other – Deposits for Bank Guarantees	70	32
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>31,524</b>	<b>33,585</b>

**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**

245

Payment of Directors salaries, superannuation and fees.

**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**

8. <b>Financing facilities available</b> <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. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	(120)
9.4 Leased assets	
9.5 Staff costs	(2,045)
9.6 Administration and corporate costs	(830)
9.7 Other (provide details if material)	
<b>9.8 Total estimated cash outflows</b>	<b>(2,995)</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

### **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: ..... Date: 23 April 2018  
(Director/Company secretary)

Print name: Charly Duffy

### **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.