

Q1 FY2019 Activities Update

Successful funding positions the Company to accelerate to the next stage of productisation; first memory chips packaged

Key highlights for Q1

- **Successfully completed \$3 million Placement to facilitate next stage of technology development and announced \$1m Share Purchase Plan**
- **Packaged first memory chips**
- **Discussions continuing with potential strategic partners / collaborations**

19 Oct, 2018 – Weebit Nano Ltd (ASX: WBT) is pleased to provide an update for the quarter ending 30 September 2018, along with its Appendix 4C cash flow results.

Capital raise successfully completed and Share Purchase Plan announcement

In late September, Weebit Nano announced it had successfully raised \$3 million via a strongly supported share placement to existing investors as well as several new high quality institutional and sophisticated investors. Weebit also announced plans to conduct a non-underwritten Share Purchase Plan to raise a further \$1 million during October.

The proceeds received will be used to progress Weebit Nano's silicon oxide (SiO_x) ReRam technology to the next stage of productisation, including scaling down to 28nm, further progressing talks with potential partners, and initiating work with production fabs.

First memory chips packaged

During the quarter, Weebit Nano produced the first packaged units containing memory arrays based on its Silicon Oxide ReRam technology. These have been packaged into devices known as chips, allowing the company to ship its memory technology to partners who can begin testing and evaluating the chips, and collaborating with Weebit Nano to achieve robust technology parameters.

The first memory chips will be delivered to universities to research the use of ReRam technology in neuromorphic computing, which is used in the development of Artificial Intelligence, with additional chips planned to be shipped to future potential partners.

This is an important step in Weebit Nano's productisation and commercialization effort as it enables further testing and refining of the company's memory technology.



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Looking ahead

Following the successful capital raise, Weebit Nano is now well-funded to progress to the next stage of productisation, and move closer to the transfer of its technology to a production fab. Weebit Nano is also preparing for the move to 28nm which is expected to begin before the end of this calendar year.

In addition, the Company is still working to sign its first co-operation agreement and is continuing discussions with key industry players, with the aim of achieving this by the end of the calendar year.

For further information, contact:

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About Weebit Nano Limited

Weebit Nano is a leader in the development of next generation computer memory technology, and plans to become the new industry standard in this space. Its goal is to address the growing need for a significantly higher performance and lower power computer memory technology. Weebit Nano's ReRAM technology is based on fab-friendly Silicon Oxide, allowing the company to rapidly execute, without the need for special equipment or preparations. The company secured several patents to ensure optimal commercial and legal protection for its ground-breaking technology.

Weebit Nano's technology enables a quantum leap, allowing semiconductor memory elements to be significantly cheaper, faster, more reliable and more energy efficient than the existing Flash technology. Weebit Nano has signed an R&D agreement with Leti, an R&D institute that specialises in nanotechnologies, to further develop SiOx ReRAM technology.

For more information please visit: <http://www.weebit-nano.com/>

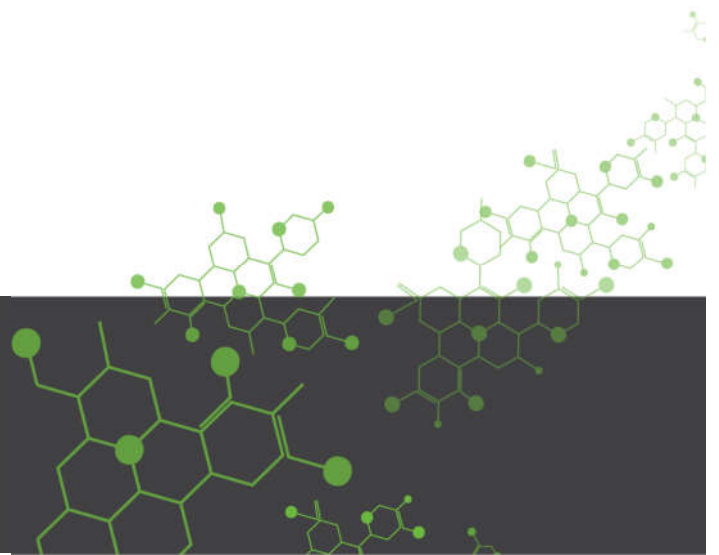


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Appendix 4C

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

Weebit Nano Limited (ASX:WBT)

ABN

15 146 455 576

Quarter ended ("current quarter")

30 September 2018

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	-	-
1.2 Payments for		
(a) research and development	(61)	(61)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(48)	(48)
(d) leased assets	(53)	(53)
(e) staff costs	(231)	(231)
(f) administration and corporate costs	(692)	(692)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other: Former activities (Exploration)	-	-
1.9 Net cash from / (used in) operating activities	(1,084)	(1,084)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(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	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	521	521
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	(75)	(75)
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	446	446

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	3,357	3,357
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,084)	(1,084)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	446	446-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	99	99
4.6	Cash and cash equivalents at end of quarter	2,818	2,818

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	2,818	3,357
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)	2,818	3,357

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	164
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	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
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	

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.		

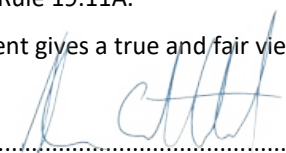
9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	1,967
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	29
9.4 Leased assets	34
9.5 Staff costs	209
9.6 Administration and corporate costs	343
9.7 Other (capital raising costs)*	0
9.8 Total estimated cash outflows	2,581

*The Company announced a successful placement of \$3 million (before costs) on 28 September 2018. \$521,000 of the funds placed were received before the 30 September 2018, with the balance received after 30 September 2018. In addition, on the 2 October 2018 the company started the process of a non-underwritten share purchase plan, aimed at raising up to 1 million dollars.

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	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: 
(Director/Company secretary)

Date: 19 October 2018

Print name: Adam Sutherland

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.