



30 April 2020

REVISED QUARTERLY ACTIVITIES REPORT & APPENDIX 4C – MARCH 31, 2020

Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company') provides a revised quarterly activities report and Appendix 4C for the period ended 31 March 2020 to replace the version lodged with ASX earlier today.

The revised version includes the following corrections to typographical errors in the previous release:

- Group revenues for Q1'20, amounted to A\$1.153M (not A\$1.153k);
- Figures at sections 1.9 and 8 of the Appendix 4C have been updated.

-Ends-

Authority and Contact Details

This announcement has been authorised for release by Adam Blumenthal, Non-Executive Director.

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About Creso Pharma

Creso Pharma Limited (ASX:CPH) brings the best of cannabis to better the lives of people and animals. It brings pharmaceutical expertise and methodological rigor to the cannabis world and strives for the highest quality in its products. It develops cannabis and hemp derived therapeutic, nutraceutical, and life style products with wide patient and consumer reach for human and animal health.

Creso Pharma uses GMP (Good Manufacturing Practice) development and manufacturing standards for its products as a reference of quality excellence with initial product registrations in Switzerland. It has worldwide rights for a number of unique and proprietary innovative delivery technologies which enhance the bioavailability and absorption of cannabinoids. To learn more please visit: www.cresopharma.com

**Forward Looking statements**

This announcement contains forward-looking statements with respect to Creso and its respective operations, strategy, investments, financial performance and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Creso could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition and government regulation.

The cautionary statements qualify all forward-looking statements attributable to Creso and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this announcement and Creso has no obligation to up-date such statements, except to the extent required by applicable laws.



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QUARTERLY ACTIVITIES REPORT & APPENDIX 4C – MARCH 31, 2020

Strong Demand Drives Record Quarter for Mernova & Major Sales Milestones for Nutraceutical and Animal Health Products

Highlights:

- Group revenues for Q1'20 amounted to A\$1.153M, compared to A\$151k for Q1'19
- Cash balance as at 31 March 2020 of A\$3.0m

Mernova Medicinal Inc. (100% CPH):

- A\$227k (~C\$200k) in sales revenue recorded for the quarter
- Mernova poised to complete first shipment to Israel following C\$775k purchase order from Univo Pharmaceuticals Ltd (TLV: UNVO)
- Upon delivery of the Univo order Mernova's revenues for 2020 to date will exceed total revenues for the full year 2019 of C\$761k
- Normal production levels maintained at Nova Scotia facility despite COVID-19 safety measures being implemented
- Senior management team strengthened with the appointment of Jack Yu as Managing Director and Isaac Allen as Vice President

Nutraceutical Product Line - cannaQIX®:

- Flagship cannaQIX® product line exceeds 2.5 million lozenges sold globally – representing over 100,000 packs sold since its launch in April 2018
- Unaudited revenue for the quarter of A\$410k (~CHF261k)
- New CBD hemp tea to be available in Q3 2020 – further extending the cannaQIX product line
- First oil free hemp plant-based gum arabicum lozenges successfully tested
- First shipment of cannaQIX® to South Africa completed ahead of Q2 launch
- Commercial Term Sheet signed with Farmagon to enter Scandinavian market

Animal Health Product Line - anibidiol®:

- 3 million doses sold in Europe – estimated to have benefitted over 100,000 dogs (or equivalent) since its launch in 2017
- Unaudited revenue for the quarter of A\$426k (~CHF271k)
- Development underway of a new hemp-derived animal health product targeted at equines and large animals – launch planned for H2 2020



Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company') is pleased to provide this quarterly activities report and Appendix 4C for the period ended 31 March 2020.

Management Commentary

Dr Miri Halperin Wernli, Creso Pharma's CEO and co-founder said: "Notwithstanding a number of challenges presented by the unfolding COVID-19 situation, I am pleased to report that Creso Pharma was able to achieve several notable milestones across this business this quarter.

"The performance of the Mernova team to eclipse its entire 2019 year of revenue in just over one quarter has been an outstanding achievement, and it provides an excellent platform to build upon. In addition, sales from our Swiss operations continue to grow, which is reflective of the growing demand and market acceptance for our range of industry-leading products.

"We remained focused on expanding our global footprint which has been reflected in the advancement of several important commercial agreements with international partners, and we are now working hard to generate sales growth in these markets.

"Against the challenging backdrop of COVID-19, Creso Pharma has maintained a strong growth trajectory and we are very well positioned to capitalise on the growing demand for medicinal cannabis products globally.

"We look forward to building on what has been an exceptional quarter, and I would also like to thank our shareholders and key stakeholders for their support."

Financials:

As at the quarter end, Creso Pharma had cash reserves of A\$3.0m. The Company drew-down A\$1.67m in new funding in April 2020 and has continuing access to additional funding if required. Details of Creso's funding are set out below and in the accompanying 4C report.

Operational Overview:

Nutraceuticals and Medicinal Cannabis

Sales Overview

In January, Creso Pharma reported that global sales of the Company's flagship cannaQIX® product line had surpassed 2.5 million lozenges, with over 100,000 packs sold since its launch in April 2018. Unaudited revenue for Q1 from cannaQIX® lozenges was A\$410k (~CHF261k).

The cannaQIX® hemp oil-derived food supplement is currently available in Switzerland, the UK, Germany, Australia, Brazil and New Zealand.

Quarterly sales and revenue for Mernova

During the quarter, the Company's wholly owned subsidiary Mernova Medicinal Inc. ('Mernova') achieved C\$200k in sales revenue. The sales comprised varying quantities of four strains of Mernova's cannabis flowers and signal growing market acceptance for Mernova's high quality products.

When the export purchase order from Israel, mentioned below, valued at C\$775k, is delivered in Q2, Mernova's revenues for 2020 to date will have exceeded total revenues for the full year 2019 of C\$761k.

Strong demand has continued subsequent to the reporting period, with a ~A\$870k (C\$775k) purchase order received from Univo Pharmaceuticals Ltd (TLV: UNVO). Under the purchase order, Mernova will



ship two of its premium strains of cured, hand-trimmed, dried medicinal cannabis flower to Univo signalling the company's entry into the Israeli market.

Univo is a medicinal cannabis company which has licenses for the entire supply chain including cultivation, production, R&D and distribution.



Figure 1: Creso Pharma's Mernova Medical Inc. facility in Nova Scotia, Canada

Expanding the cannaQIX® product line

Creso Pharma successfully developed and tested several new products during the quarter, with a view to expanding the Company's flagship cannaQIX® product line.

In February, the Company finalised its first oil free hemp plant-based gum arabicum lozenges.

Developed over a nine-month period, the new technology allows hemp oil free production, bringing the full benefit of the natural hemp plant to the consumers. The product also offers significant regulatory advantages in several countries.

The formulation contains hemp compounds which are already approved for use in consumer products, providing the Company with a path to market food supplement products without the need for regulatory approval.

Creso Pharma plans to distribute the new products globally with different commercial partners in several countries and expects that the products will be ready for launch in Q3 2020.

Furthermore, during the quarter the Company announced its first cannaQIX® CBD instant hemp tea will be available globally by Q3 2020.



The cannaQIX® CBD instant hemp tea has been developed based on the anibidiol® granules technology, and will be offered in two product versions:

- cannaQIX® CBD instant hemp tea formulated with CBD hemp, zinc, selene, elderberry and vitamins to support the immune system and manage stress; and
- cannaQIX® NITE CBD instant hemp tea formulated with CBD hemp, zinc, selene, elderberry, lemon balm and vitamins to strengthen the immune system and support better sleep.

Creso Pharma plans to distribute the new products through several commercial partners in several countries starting in Q3 2020.



Figure 2: cannaQIX® Instant Hemp Tea (left) and cannaQIX® NITE Instant Hemp Tea

Global Expansion Strategy

A key focus for the Company during the quarter was the continued expansion of its global footprint. Key developments made during the quarter are outlined below.

In March, the Company signed a commercial term sheet agreement with Farmagon of Norway to enter the Scandinavian market through the launch of key products including cannaQIX® 50 and cannaQIX® 10. Farmagon is an established wholesale distributor in Norway, with over 25 years of experience in pharma in Scandinavia.

Under the Agreement, Farmagon has the right to distribute Creso's products under co-branding with Creso, or white labelling, in the defined territory, subject to prescribed minimum order quantities.

The agreement covers the marketing and distribution of Creso products in Norway, Denmark, Sweden, Finland, with the first phase focusing on the launch of cannaQIX® 50 and cannaQIX® 10, both of which will be marketed as medicinal cannabis products under a required narcotics license.

As per the commercial agreement signed with leading South African pharmaceutical company, Pharma Dynamics (see ASX Announcement dated August 22, 2019), the Company successfully completed the production and delivery of the first order of its cannaQIX® regular product to South Africa in March.

Pharma Dynamics plans to launch the product in South Africa under the brand name "Cannamics" (Figure 3) in Q2 2020.



Figure 3: Cannamics product packaging

Furthermore, post-quarter end, a binding letter of intent (LOI) was signed with Pakistani entities Highnoon Laboratories Limited (PSX: HINOON) ('Highnoon'), one of Pakistan's most successful and progressive pharmaceutical companies, and Route2 Health Limited ('Route2'), a leading player in the nutritional supplements area.

The strategic collaboration focuses on expanding distribution of the Company's innovative hemp derived therapeutic products into Pakistan that has a population of over 200 million and a wide range of unmet needs that can be addressed by a targeted portfolio of products.

Subject to further regulatory approvals, the parties have also agreed to consider leveraging their international reach to explore broadening the strategic collaboration to include the additional markets of Afghanistan, Azerbaijan, Bangladesh, Cambodia, Georgia, the Maldives, Myanmar, the Philippines, Tajikistan, Turkmenistan, Uzbekistan, and Vietnam.

Animal Health:

Sales Overview

Revenues for Q1 amounted to A\$426k.

In January, the Company eclipsed the significant milestone of over 3 million anibidiol® doses sold in Europe since the product's launch in late 2017, corresponding to the treatment of over 100,000 dogs (or equivalent).

Creso Pharma has successfully developed 3 additional hemp-derived products to improve the wellbeing of pets, which are slated for launch during 2020. Together with Virbac Switzerland (EPA:VIRP), the Company recently launched its new anibidiol® Oil 500 product as a lifecycle management enhancement for the anibidiol® range, responding to strong demand from veterinaries and pet owners.

Product Development

In February, the Company added another innovative animal health product to its growing portfolio, announcing plans to launch the newly developed anibidiol®EQUI, a flavoured micro milled hemp plant product for equines and large animals, in the second half of the 2020 CY.

The complementary feed anibidiol®EQUI is based on natural hemp plant components and provides the entourage effect in which the various hemp components work together to strengthen the key benefits, aiming to reduce stress and pain and support fast mobility recovery.



The product contains natural hemp compounds which are recognised as traditional feed components already approved for use in consumer products. This represents an additional pathway to market for the Company's hemp-based complementary feed products without the need for regulatory approval.

anibidiol®EQUI will be mainly commercialised in LATAM, ASIAPAC and selected European countries, thus increasing the Company's global commercial footprint.

Subsequent to the reporting period, the Company successfully completed a significant shipment of anibidiol® Plus to Virbac International, generating ~A\$215,000 in revenue. The shipment ensured the ongoing supply to a growing base of veterinary doctors and pet owners who are using the Company's anibidiol® line of products throughout Europe.

Corporate Developments:

COVID-19 response

The Company responded quickly to the unfolding COVID-19 pandemic by implementing a remote working policy across its Australian and Swiss operations. As well, appropriate social distancing measures were implemented at the Nova Scotia Facility in Canada, with production levels maintained.

Mernova has experienced an increased level of orders to cater for rising demand for medicinal cannabis in the Canadian medicinal cannabis market which could present a tailwind for the Company's sales in North America.

The Company is well-positioned to take advantage of this surging demand and looks forward to providing further updates in due course.

Further funding secured to accelerate global operations

The Company entered into a new convertible securities agreement with L1 Capital Global Opportunities Master Fund (L1 Capital) in February to access up to an additional \$17,482,500 (see ASX Announcement dated February 5, 2020).

The funds raised will be used for the Company's operations and working capital purposes.

Post quarter-end, the Company entered into a convertible securities agreement with Lind Global Macro Fund, LP ('Lind') to raise A\$1,000,000. Funds raised will largely be used to fund the Company's current liabilities and outstanding obligations, as well as for operational and working capital purposes.

Mernova Medicinal Inc. Update

The Company made significant strides with respect to the Mernova production facility as it continues to push towards securing EU GMP certification.

In February the Company achieved the second milestone with respect to the 2017 acquisition of Mernova, with the 4,150,000 Milestone 2 Exchangeable Shares issued in the Company's Canadian subsidiary have now vested and become exchangeable, at the election of the Mernova vendors, for fully paid ordinary shares in the Company (see ASX Announcement dated February 14 2020).

The Milestone 2 cash payment of C\$800,000 is now also payable to the Mernova vendors. The Company and the Mernova vendors have reached an agreement to settle this payment in equal monthly instalments over the next 9 months.



Furthermore, Mernova's senior management team was strengthened during the quarter with the appointment of Jack Yu as Managing Director and Isaac Allen as Vice President. Current Managing Director Bill Fleming will leave Mernova on June 1, 2020, following a transition period to Mr Yu's leadership.

-Ends-

Authority and Contact Details

This announcement has been authorised for release by the Creso Board

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Creso Pharma Limited

ABN

89 609 406 911

Quarter ended ("current quarter")

31 March 2020

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	1,443	1,443
1.2 Payments for		
(a) research and development	(173)	(173)
(b) product manufacturing and operating costs	(667)	(667)
(c) advertising and marketing	(25)	(25)
(d) leased assets	-	-
(e) staff costs	(1,125)	(1,125)
(f) administration and corporate costs	(777)	(777)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
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)	160	160
1.9 Net cash from / (used in) operating activities	(1,164)	(1,164)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) 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) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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 equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	1,750	1,750
3.6	Repayment of borrowings	(31)	(31)
3.7	Transaction costs related to loans and borrowings	(734)	(734)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	985	985

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,812	2,812
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,164)	(1,164)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	985	985
4.5	Effect of movement in exchange rates on cash held	367	367
4.6	Cash and cash equivalents at end of period	3,000	3,000

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	3,000	3,000
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)	3,000	3,000

6. Payments to related parties of the entity and their associates

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
756
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

	\$A'000
Payments made to related parties and their associates comprise:	
- Directors fees	258
- Capital raising fees – EverBlu Capital Pty Ltd & Suburban Holdings Pty Ltd	387
- Repayment of loan – Anglo Menda Pty Ltd	31
- Fees as per service mandate - EverBlu Capital Pty Ltd	80
Aggregate amount as above	756

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	22,915	5,000
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	22,915	5,000

7.5 Unused financing facilities available at quarter end

17,915

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Notes:

1. The ability to draw down further funding under the existing facilities is subject to the Company obtaining shareholder approval and/or approval of the relevant lender.
2. The Company had drawn down an additional \$517,500 under the Original L1 Agreement. During the quarter this amount was repaid through the conversion of the Tranche 2 Convertible Notes into 6,388,889 Shares. Refer to the Appendix 2A released on 18 February 2020 for further details.

The Loan facilities noted at item 7.1 above consist of:

(a) Original L1 Capital Agreement

A convertible securities agreement between the Company and L1 Capital Global Opportunities Master Fund (**L1 Capital**) entered into on 27 November 2019 (**Original L1 Capital Agreement**). At the end of the Quarter, the Company had drawn down a total of \$1,500,000 under the Original L1 Capital Agreement and issued L1 Capital 1,666,667 Tranche 1 Convertible Notes. Following the end of the Quarter, the amount outstanding in respect of the Tranche 1 Convertible Notes was reduced (as announced on 14 April 2020). Further details in respect of the Original L1 Capital Agreement are set out in the notice of meeting released on 23 December 2019 and the addendum to the notice of meeting released on 13 January 2020.

During the Quarter an amount of \$517,500 which was drawn down under the Original L1 Agreement on 31 December 2019 was repaid through the conversion of the Tranche 2 Convertible Notes into 6,388,889 Shares. Refer to the Appendix 2A released on 18 February 2020 for further details.

Interest accrues at 4% per annum, with the first interest payment payable on the date which is 180 days after the date of the purchase (which was made on 27 November 2019) and every 90 days thereafter.

(b) Suburban Agreement

A convertible securities agreement between the Company and Suburban Holdings Pty Limited (**Suburban Holdings**) entered into on or about 27 November 2019 (**Suburban Agreement**). At the end of the Quarter, the Company had drawn down a total of \$1,500,000 under the Suburban Agreement and issued Suburban 1,666,667 Tranche 1 Convertible Notes. Further details in respect of the Suburban Agreement are set out in the notice of meeting released on 23 December 2019 and the addendum to the notice of meeting released on 13 January 2020.

Following the end of the Quarter, the amount outstanding in respect of the Tranche 1 Convertible Notes was reduced (as announced on 20 April 2020).

Interest accrues at 4% per annum, with the first interest payment payable on the date which is 180 days after the date of the purchase (which was made on 27 November 2019) and every 90 days thereafter.

(c) Chifley Agreement

A convertible securities agreement between the Company and Chifley Portfolios Pty Limited (**Chifley**) entered into on or about 27 November 2019 (**Chifley Agreement**). At the end of the Quarter, the Company had drawn down a total of \$250,000 under the Chifley Agreement and issued Chifley 277,778 Tranche 1 Convertible Notes. Further details in respect of the Chifley Agreement are set out in the notice of meeting released on 23 December 2019 and the addendum to the notice of meeting released on 13 January 2020.

Following the end of the Quarter, the amount outstanding in respect of the Tranche 1 Convertible Notes was reduced (as announced on 14 April 2020).

Interest accrues at 4% per annum, with the first interest payment payable on the date which is 180 days after the date of the purchase (which was made on 27 November 2019) and every 90 days thereafter.

(d) New L1 Capital Agreement

A convertible securities agreement between the Company and L1 Capital entered into on 5 February 2020 (**New L1 Capital Agreement**). At the end of the Quarter, the Company had drawn

down a total of \$1,750,500 under the New L1 Capital Agreement. Further details in respect of the New L1 Capital Agreement are set out in the notice of meeting released on 15 April 2020.

Following the end of the Quarter, the Company drew down a further \$500,000 under the New L1 Capital Agreement (as announced on 20 April 2020).

Interest accrues at 4% per annum, with the first interest payment payable on the date which is 180 days after the date of the first advance (which was made on 6 February 2020) and every 90 days thereafter.

After the end of the Quarter, the Company entered into a convertible securities agreement with Lind Global Macro Fund, LP (**Lind**) to enable the Company to raise \$1,000,000 (less the applicable commitment fee) (**Lind Agreement**). The Company has drawn down \$1,000,000 under the Lind Agreement. Interest accrues at 4% per annum on the outstanding face value of the convertible note that will, subject to shareholder approval being obtained, be issued to Lind, with the first interest payment payable on the date which is 180 days after the date of closing (which occurred on 21 April 2020) and every 90 days thereafter.

Each of the Original L1 Capital Agreement, the Suburban Agreement, the Chifley Agreement, the New L1 Capital Agreement and the Lind Agreement are secured. Further details are set out in the ASX announcements released on 28 November 2019, 31 December 2019, 5 February 2020 and 20 April 2020.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,164)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	3,000
8.3 Unused finance facilities available at quarter end (Item 7.5)	17,915
8.4 Total available funding (Item 8.2 + Item 8.3)	19,751
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	16

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

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.

Date: 30 April 2020

Authorised by: The Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.