

30 July 2020

ASX Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

FOR IMMEDIATE RELEASE

Dear Sir/Madam,

Delaware Thirteen Ltd (Subject to Deed of Company Arrangement)
formerly known as 'Department 13 International Ltd'
A.C.N. 155 396 893 ("**the Company**")

ASX: D13 – Appendix 4C

Please see attached Appendix 4C for the quarter ended 30 June 2019 as required under Listing Rule 4.7B.

Shareholders are asked to monitor ASX releases for further information.

Yours faithfully
Delaware Thirteen Ltd

Alan Hayes
Deed Administrator



encl.

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

Delaware Thirteen Ltd (Subject to Deed of Company Arrangement) formerly known as Department 13 International Ltd ACN 155 396 893 (**"the Company"**)

ABN

36 155 396 893

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	774
1.2 Payments for		
(a) research and development	(525)	(1,463)
(b) product manufacturing and operating costs	(97)	(1,083)
(c) advertising and marketing	-	(305)
(d) leased assets	-	-
(e) staff costs	(254)	(2,240)
(f) administration and corporate costs	(307)	(1,866)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	3
1.5 Interest and other costs of finance paid	-	(279)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (GST received)		74
1.8 Other (Insurance payment received)	-	70
1.9 Net cash from / (used in) operating activities	(1,183)	(6,315)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	(167)
	(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	Development of intellectual property	(719)	(2,663)
2.6	Net cash from / (used in) investing activities	(719)	(2,830)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	5,000
3.3	Proceeds from exercise of share options	-	33
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(466)
3.5	Proceeds from borrowings	1,746	3,746
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	1,746	8,313

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		123
4.2	Net cash from / (used in) operating activities (item 1.9 above)		(6,315)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		(2,830)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		8,313
4.5	Effect of movement in exchange rates on cash held		790
4.6	Cash and cash equivalents at end of quarter		81

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	59	52
5.2	Call deposits	22	71
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter	81	100

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	-
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	
N/A		

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	6,957
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	

Amounts included in item 7.1 relate to fees payments to key management personnel.

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	2,000	906
8.2 Credit standby arrangements	10,000	2,000
8.3 Other (convertible notes issued)	11,600	11,600
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.		

Lending Facilities and Administrator's appointment

The Company's tranche 1 loan facility with Domazet FT3 Pty Ltd ("**Doma**"), as published in ASX release dated 16 April 2019, continued from 1 April 2019 to 29 May 2019.

On 30 May 2019, the Company's Board of Directors resolved to appoint Alan Hayes as voluntary administrator pursuant to section 436A of the *Corporation Act, 2001* which was announced to the ASX on 30 May 2019 and 31 May 2019.

On 6 June 2019, the Company, the Administrator and Doma entered into a funding deed of up to AUD\$2million covering administration expenses and funding of the Company's USA subsidiary, Department 13, Inc.

On 20 June 2019, the Administrator obtained Orders from the Federal Court of Australia inter alia to remove the Administrator's statutory personal liability as a consequence of borrowing AUD\$2million and to extend the convening period of the second meeting of creditors. These Orders were announced to the ASX on 21 June 2019.

The Company's shares remained suspended during this quarter.

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	90
9.2	Product manufacturing and operating costs	490
9.3	Advertising and marketing	-
9.4	Leased assets	-
9.5	Staff costs	2,200
9.6	Administration and corporate costs	135
9.7	Other (provide details if material)	-
9.8	Total estimated cash outflows	2,915

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 to the best of my knowledge.

Sign here: ... 
Deed Administrator

Date: 30 July 2020

Print name: Alan Hayes

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.