

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

iWebGate Limited

ABN

55 141 509 426

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	54	264
1.2 Payments for		
(a) staff costs	(321)	(1,280)
(b) business development and marketing	(433)	(1,937)
(c) research and development	(313)	(2,189)
(d) leased assets	-	-
(e) other working capital	(398)	(2,095)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	12
1.5 Interest and other costs of finance paid	(35)	(103)
1.6 Income taxes paid	-	-
1.7 Others (Grants received)	118	728
Net operating cash flows	(1,327)	(6,600)

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	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,327)	(6,600)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(8)	(22)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	6
(e) other non-current assets	-	49
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other:	-	-
Net investing cash flows	(8)	33
1.14 Total operating and investing cash flows	(1,335)	(6,567)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	556	2,557
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	2,579	4,633
1.18 Repayment of borrowings	(1,556)	(1,556)
1.19 Dividends paid	-	-
1.20 Other: Capital raising costs	(78)	(429)
Net financing cash flows	1,501	5,205
Net increase (decrease) in cash held	166	(1,362)
1.21 Cash at beginning of quarter/year to date	214	1,742
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	380	380

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.24 Aggregate amount of payments to the parties included in item 1.2	183
1.25 Aggregate amount of loans to the parties included in item 1.11	
1.26 Explanation necessary for an understanding of the transactions	
<p>1. Executive director salaries 2. Director fees Includes amounts paid to entities associated with the Directors</p> <p>1.15 Proceeds from share issues represents marked to market value of issue of shares to Lind in lieu of cash repayment of short term borrowings under Lind facility to minimise cash outflow from financing activities. NOTE: this \$556k comprises part of the \$1,405k debt repayment of Lind facility as part of repayments of total of AUD\$2,579k in 1.18</p> <p>1.17 and 1.18 show issues of capital from various bridging facilities taken for short term working capital purposes and repayments in satisfaction of all debt related obligations under facilities.</p> <p>1.18 AUD\$102k represents total outstanding sum owed under Lind convertible facility which will be extinguished in next quarter financing activities through the issue of IWG shares escrowed for two years.</p> <p>1.20 included expenses incurred for capital raising activities during this quarter and pursuant to subsequent AUD \$8m capital raising completed subsequent to Quarter end.</p>	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
- | |
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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest
- | |
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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	102
3.2 Credit standby arrangements	-	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	380	214
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	380	214

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Company Secretary)

Date: 29 July 2016

Print name: Greg MacMillan

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

Additional Information

- Receipts from customers for the reported period was low due to an unexpected invoice dispute with Ubiquity Corp. iWebGate provided technical development services for the Sprocket as agreed between the parties to simplify user experiences and provide secure single-sign-on access to cloud and on-premise applications. A payment of US\$300,000 (approximately A\$400,000) was expected during this reported quarter. At this stage, the parties are working to a resolution. iWebGate is currently reviewing its entire relationship with Ubiquity.

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