

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

#### Commentary for the quarter ending 30<sup>th</sup> September 2016 iQ3Corp Limited

The quarter ending 30<sup>th</sup> September 2016, represents a significant increase in cash and cash equivalents on the previous quarter. This is a result of long term, sustainable engagement of iQ3 Corp Ltd in life science corporate advisory projects.

The key results are

- A net **increase in cash equivalents of \$375K** for the quarter compared to a net (decrease) in the previous quarter of (\$253K).
- This results in a **99% improvement in Cash and Cash Equivalents**, being 753K in the September quarter compared to 378K in the June quarter.
- iQ3Corp maintains a financial position of **zero external debt**

iQ3Corp continues to systematically expand its business development capability and capacity, both functionally and geographically, in the life science sector, through its Australian and USA operations.

+Rule 4.7B

## 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**

iQ3Corp Ltd

**ABN**

63 160 238 282

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

30 September 2016

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,335	1,335
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(486)	(486)
(c) advertising and marketing	(20)	(20)
(d) leased assets		
(e) staff costs	(329)	(329)
(f) administration and corporate costs	(143)	(143)
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)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>357</b>	<b>357</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	4	4
(b) businesses (see item 10)		
(c) investments	(5)	(5)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
	(d) intellectual property		
	(e) other non-current assets	(4)	(4)
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	(9)	(9)
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)	32	32
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>18</b>	<b>18</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares		
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 (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</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	378	378
4.2	Net cash from / (used in) operating activities (item 1.9 above)	357	357
4.3	Net cash from / (used in) investing activities (item 2.6 above)	18	18
4.4	Net cash from / (used in) financing activities (item 3.10 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>753</b>	<b>753</b>

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	753	753
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>753</b>	<b>753</b>

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	54
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	
Directors' Remuneration		

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	109
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	9
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
Shared Overhead Costs \$89K (Item 7.1)		
Fee to AFSL holder as a result of iQ3Corp being a Corporate Authorised Representative \$20K(Item 7.1)		
Movement in Related Parties Current Accounts \$9KItem (7.2)		

**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

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.

**Total facility amount  
at quarter end  
\$A'000**

**Amount drawn at  
quarter end  
\$A'000**

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**9. Estimated cash outflows for next quarter**

**\$A'000**

9.1 Research and development

9.2 Product manufacturing and operating costs

9.3 Advertising and marketing

9.4 Leased assets

9.5 Staff costs

9.6 Administration and corporate costs

9.7 Other (provide details if material)

**9.8 Total estimated cash outflows**

485

20

330

145

**980**

**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

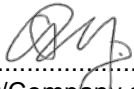
10.3 Consideration for acquisition or  
disposal

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: .....  ..... Date: ..... 28 October 2016 .....  
(Director/Company secretary)

Print name: ..... Gerardo Incollingo .....

**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.