

22 April 2016

Quarterly Report for the Period Ending 31 March 2016

Highlights

- **Spookfish completed the planned commercial upgrade of the Generation One camera system to enable it to enter commercial operations**
- **All necessary flight testing has been performed to demonstrate compliance with the various Civil Aviation Safety Authority ("CASA") design requirements**
- **Under CASA regulations, the camera system has now been released from 'Experimental' category to 'Normal' category to allow commercial operations**
- **Commercial upgrade and recently granted Air Operators Certificate provide the platform for the development of the Spookfish technology roadmap for higher/faster aircraft and international operations**
- **Fourth patent application filed encompassing the management of data captured in the aerial camera system**
- **Strong cash position with \$4.8 million as at the end of the quarter**

Spookfish Limited (ASX: SFI) ("Spookfish" or "the Company") is pleased to provide the following commentary regarding its activities during the three months ended 31 March 2016.

During the quarter Spookfish successfully completed the planned upgrade of its Generation One camera system to transform it into a commercial camera system. Numerous enhancements were performed during the scheduled commercial upgrade to meet the extreme performance criteria of the Spookfish system.

In addition to camera system development, all necessary flight-testing was performed to demonstrate compliance with the various Civil Aviation Safety Authority ("CASA") design requirements.

The camera system design has now been approved in accordance with CASA regulations and released from 'Experimental' category to 'Normal' category to authorise commercial data acquisition.

This upgrade is an exciting milestone as it marks the end of the initial development phase and commencement of commercial operations.

Development of the larger scale Generation Two system remains on-going in parallel and together with the Company's Air Operators Certificate issued by CASA, Spookfish has in place the platform for the development of the Spookfish technology roadmap for higher/faster aircraft and international operations.



During the quarter Spookfish also filed its fourth patent application, further expanding and protecting the Company's intellectual property portfolio for large area, high productivity aerial surveying. Titled "A method of managing data captured in an aerial camera system", the application covers core intellectual property related to the cost effective, streamlined storage, transfer and archive of hundred's of terabytes of raw image data captured per day by a high productivity high resolution Spookfish camera system.

Subsequent to the end of the quarter, Spookfish participated in Locate16, the premier national spatial and surveying sciences business conference in Australia and New Zealand, as both a major sponsoring partner to the event and an exhibitor. This event was an opportunity for Spookfish to display examples of outputs from its Generation One camera system, processing solutions, web services and map viewer to the spatial industry and was the catalyst for launching the Company's new website. Simon Cope, Spookfish's Chief Technology Officer, was also invited to present at the conference.

During April, the Company was also very pleased to welcome Simon Cope to our Board as an Executive Director. Mr. Cope's vast industry experience will be of great value to the Board as the Company transitions from development of its Generation one camera system to commercial operations. At the same time, Mike von Bertouch resigned as a director but will continue as Strategic Operations Director of the operating subsidiary.

For more information, please contact:

Jason Marinko

Executive Chairman

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About Spookfish

Spookfish is an Australian company focused on the development and commercialisation of premium next generation geospatial imagery products and services. By starting from a clean sheet and disregarding what was thought impossible, our revolutionary technology enables rapid imaging of entire countries in high resolution from a multitude of angles at a fraction of the cost of contemporary systems. Spookfish aims to use these capabilities to make it easy for organisations of all sizes to gain access to premium imagery content and pervasive 3D models allowing concise, accurate and cost effective decision-making.

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

SPOOKFISH LIMITED

ABN

24 123 511 017

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

	Current Quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) staff costs	(675)	(675)
(b) advertising and marketing	(130)	(130)
(c) research and development	(955)	(955)
(d) leased assets	(15)	(15)
(e) other working capital	(127)	(127)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	38	38
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net operating cash flows	(1,864)	(1,864)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,864)	(1,864)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(10)	(10)
(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	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	(10)	(10)
1.14 Total operating and investing cash flows	(1,874)	(1,874)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	(1,874)	(1,874)
1.21 Cash at beginning of quarter/year to date	6,694	6,694
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	4,820	4,820

+ See chapter 19 for defined terms.

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	762
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

\$606,000 was paid for aeronautical engineering and allied services to a company in which director, Mike von Bertouch has a beneficial interest. Cash remuneration, fees and other payments totalling \$156,000 were paid to directors during the period.

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

None

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

None

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

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	-	-
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	4,820	4,820
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	4,820	4,820

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	None	None
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-


+ See chapter 19 for defined terms.

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: Date: 22 April 2016
(Director/Company secretary)

Print name: **Jason Marinko**

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.

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