

27 October 2023

ASX Announcement

QUARTERLY ACTIVITIES REPORT – SEPTEMBER QUARTER 2023

Quarter highlights

- **New AD-214 data supports potential efficacy of intravenous (IV) product and points way to a potential subcutaneous (SC) product for the future**
- **AD-214 Phase I extension clinical study commenced with AD-214 well tolerated at target Phase II doses**
- **Significant progress on multiple partnering initiatives with high near-term impact potential**
- **\$3.57 million cash position as at 30 September 2023 (\$4.79 million as at 30 June 2023); terms of Victorian Government R&D Cash Flow Loan Facility extended**

MELBOURNE Australia, 27 October 2023: AdAlta Limited (ASX:1AD), the clinical stage company developing novel protein and cell therapeutic products from its i-body® platform, generated important new data during the September quarter supporting the efficacy the target intravenous (IV) version of AD-214 in fibrotic diseases such as Idiopathic Pulmonary Fibrosis (IPF). In addition, the Company identified a potential next generation subcutaneous (SC) version of AD-214 and generated further safety data supporting use of AD-214 at likely Phase II clinical study doses. These results support accelerating partnering momentum on multiple fronts. The Company reports a cash balance of \$3.57 million as of 30 September 2023.

Reflecting on the quarter, AdAlta's CEO and Managing Director, Dr Tim Oldham commented:

"The September quarter of 2023 was all about generating new AD-214 data that materially de-risks the asset. Armed with new tools to predict efficacious doses and a continuing favourable safety profile at higher AD-214 doses we are in a much stronger partnering position. We are aggressively pursuing both out-licensing and fully funded co-development collaborations to progress AD-214 into Phase II clinical trials. If we are able to successfully convert any of the pipeline of collaborations these could deliver a material financial impact for AdAlta in the near term.

A. Operations overview

1. AD-214 value proposition for partners strengthened

Priority: generate return on investment by securing non-dilutive financing of Phase II clinical studies that realises value created by AdAlta

AdAlta's lead product, AD-214, is a first in class, next generation antibody therapeutic for the treatment of fibrotic diseases including lung fibrosis (specifically Idiopathic Pulmonary Fibrosis (IPF) and Interstitial Lung Disease (ILD)), kidney fibrosis, eye fibrosis and some cancers. The Company's priority is to progress Phase II clinical studies in IPF or kidney fibrosis through partnerships, and in doing so realising the value created by the investment to date in this asset.

New preclinical data enables prediction of efficacious doses at commercially viable dosing regimens – supports IV doses selected for Phase II clinical studies and identifies potential SC doses.

To be successful, any new drug must be safe and effective at a dosing regimen that can actually be used in a real-world clinical setting and at doses that allow for a competitive cost of goods. Market research and potential partner feedback shows that an IPF drug administered IV requires at least two weeks between doses (because patients are reluctant to attend IV clinics more frequently). On the other hand, SC administration (which can be done by the patient at home) is more likely to be adopted if given on a weekly regimen (it is easy to remember and minimizes the number of times a patient must self-inject).

Prior to the September quarter, AdAlta had demonstrated that AD-214 was efficacious in multiple animal models of fibrosis at multiple doses, and that it was well tolerated in healthy volunteers when administered intravenously every two weeks in a Phase I clinical study. What was not known was whether the level of target receptor occupancy (or blocking) by AD-214 that could be maintained over two weeks by IV infusion could be efficacious.

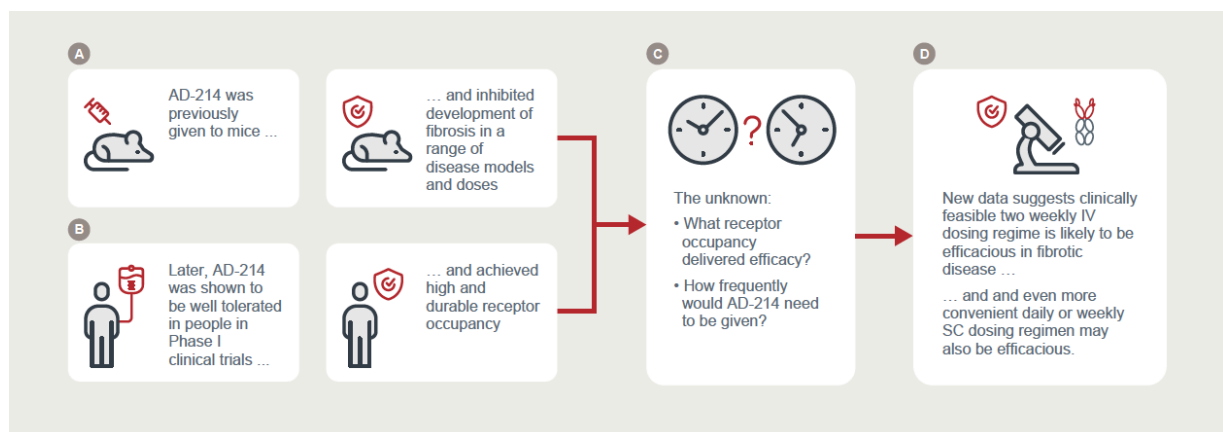
As shown schematically in Figure 1, AdAlta has now closed this knowledge gap. Early in the quarter, the Company announced new preclinical data that for the first time linked levels of receptor occupancy with inhibition of immune cell migration, a surrogate model of the fibrotic process. This showed that the levels of target receptor occupancy observed in Phase I clinical studies two weeks after IV infusion at 10 mg/kg and higher could be efficacious.

In a next step, AdAlta used existing Phase I data to develop a model to predict receptor occupancy over time for any IV infusion regimen. The model was then adapted to also predict receptor occupancy following a variety of SC regimens.

The most important conclusions, were:

1. AdAlta's target IV AD-214 product, a 10 mg/kg infusion every two weeks, was likely to be efficacious
2. A next generation SC AD-214 product, a 3mg/kg injection once per week, might also be efficacious, offering greater patient convenience and lower cost of goods.

Figure 1: New AD-214 data validates commercially viable product design



The IV findings enable improved design and significantly reduced risk of Phase II clinical studies of AD-214. Partner feedback confirms that the potential for SC administration significantly improves commercial potential, adding significant value to the asset.

Following completion of the current Phase I extension studies, AdAlta anticipates that a partner would progress IV AD-214 into Phase II studies as the fastest and most cost-effective way to demonstrate clinical efficacy. In parallel, the work to develop a SC formulation and progress it through Phase I studies could be completed. Subject to the success of each development stream, partners would then have the option of progressing either IV or SC AD-214 into Phase III trials necessary for registration.

Phase I extension study adds further value, continues to strengthen safety profile of AD-214

During the quarter the Company commenced a Phase I extension study to evaluate the safety and tolerability of multiple doses of IV AD-214 at 10 mg/kg.

Eight participants have now received three doses of AD-214 or placebo. Clinical investigators have reported that AD-214 was well tolerated at these higher doses, with no dose limiting toxicity, no need to interrupt doses and no requirement to administer medication to manage infusion reactions. The frequency of mild infusion related reactions appears lower than that observed at lower doses in the original Phase I study.

Full pharmacokinetic and receptor engagement analysis can now commence and remains on schedule for discussion with partners in November 2023. The additional data points will enable the dose finding simulations to be updated. The study participants will receive a final dose (twelve weeks after the 3rd dose) with the aim of confirming that there is no immune response to AD-214 that might affect efficacy and safety. Full safety and tolerability results are due in the March Quarter of 2024.

AdAlta supports Bill van Nierop and Long Kayak for Lungs 2

During the quarter, AdAlta was pleased to support IPF survivor, Bill van Nierop, as he undertook the Long Kayak for Lungs 2, a 1,440 km kayak expedition down the Murrumbidgee River. Bill was diagnosed with IPF in 2015 and was fortunate to receive a rare double lung transplant in 2021, the only cure for IPF today, making Bill one of the rare survivors of IPF. He is a tireless campaigner for greater investment in research and awareness of and support for IPF patients. This was Bill's third major expedition to raise funds for the cause of IPF. More about Bill's journey can be found at: <https://www.longkayakforlungs.com.au/>.

2. Partnered immuno-oncology programs continue to progress

i-CAR-T with Carina Biotech

AdAlta is now working on three targets under its i-CAR-T collaboration with Carina Biotech (Carina). *In vivo* proof of concept studies of A-i-CAR-T cell candidates targeting an undisclosed tumour antigen "A" are progressing. AdAlta has now commenced discovery activities against two additional tumour antigen targets with the eventual objective of creating CAR-T cells with capability to target both antigens.

GZMB-i-PET imaging with GE Healthcare

AdAlta continues to collaborate with GE Healthcare to develop i-body enabled granzyme B PET imaging agents for use in immuno-oncology with positive progress made on several work streams during the quarter. Further updates for this program will be provided in consultation with GE Healthcare and as milestones are achieved.

GPCR heterodimers combinations with GPCR Therapeutics

GPCR Therapeutics is continuing evaluation of several CXCR4 i-bodies under the collaboration announced in October 2022 with continuing favourable results.

3. Corporate and business development initiatives offer near term upside

AdAlta is progressing three partnering streams to unlock near term value from its assets and reduce financial risk to shareholders. The identity of potential partners and progress of any partnering program cannot be disclosed, however anonymized examples illustrate the significant momentum building behind all streams.

Stream 1 - AD-214 Phase II out-licensing or co-investment: secures Phase II development and generates a return on AdAlta's investment to date

The objective of this stream is to either:

- Out-license AD-214 to a larger biopharmaceutical partner who would undertake further development of AD-214. AdAlta would then receive milestone payments and royalties on eventual sales; or
- Co-develop AD-214 with a partner who co-invests in the AD-214 project, providing the funds necessary to complete Phase II clinical studies. AdAlta would likely receive reimbursement of historical expenses and contributions to overhead costs and retain substantial ownership of AD-214

As described in the June 2023 quarterly report, following the Bio Industry Organisation BIO2023 partnering conference, AdAlta identified 21 potential licensing partners actively evaluating AD-214 and willing to consider a transaction prior to Phase II. During the quarter, the Company advanced some discussions, elected not to proceed with others and opened new discussions. By way of example, one biopharmaceutical company began testing samples of AD-214 in its in-house assays, noting that if AD-214 successfully passed this screen they would likely commence full due diligence.

AdAlta has also fielded a number of enquiries seeking the opportunity to co-invest in the AD-214 project. Examples include a clinical research organisation proposing to invest part or all their Phase II clinical trial fees in the project, through to strategic or financial investors seeking private investments with single asset exposure through a clinical inflection point. AdAlta has engaged additional advisors to help evaluate and progress these opportunities.

A common theme from all potential partners has been a positive response to AD-214's novel model of action, the quality of AdAlta's *in vitro* mode of action investigations and the potential for multiple routes of administration. The most common questions being asked in due diligence are being addressed by the data and dose simulation model developed during the September quarter or by the ongoing Phase I extension study.

Stream 2 - i-body® platform licensing: licensing of AdAlta's inventory of i-body® discovery programs or co-discovering i-bodies against new targets expands pipeline at reduced cost

This stream aims to replicate the collaborations with GE Healthcare, Carina Biotech and GPCR Therapeutics to partially or fully fund new discovery programs to fully leverage the unique capabilities of the i-body® platform, generating a return for AdAlta with substantially reduced capital at risk. The Company targets applications leveraging the i-body® ability to go where antibodies cannot and focusses on multi-functional cell therapy applications and G-protein coupled receptor (G-PCR) targets.

The value of a broad “inventory” of i-body discovery programs and well characterised i-bodies (and by implication our in house research team) was exemplified by progress made on one of these during the quarter. At BIO2023 in June, AdAlta received three unsolicited expressions of interest in an early discovery stage i-body program. A small molecule against the target had just achieved encouraging Phase II results and a preclinical antibody program had recently been acquired for more than US\$100 million. A rapid outreach campaign by our business development team generated a further six requests for further information that are now being evaluated.

Stream 3 - Accessing complimentary products and intellectual property: could expand AdAlta's clinical pipeline and enhance the reach of the i-body® platform

To ensure AdAlta maintains and grows a robust pipeline of assets, a fourth partnering stream is continuously evaluating opportunities to in-license or acquire assets and technology platforms in, or approaching clinical trials, and where there are clear synergies with the i-body platform and existing skills. The company is evaluating more than five assets at any given time.

4. Intellectual property

AdAlta continues to evaluate opportunities to expand intellectual property protection for its technology. During the quarter the Company filed a new patent application claiming methods of treatment using AD-214 which if granted would confer additional protection to 2043.

5. Near term milestones

AdAlta's milestones and data read-outs for the next six months include:

Goal	Status as at 30 Jun 2023	Status as at 30 Sep 2023
AD-214		
First HV participant first visit for AD-214 Phase I extension clinical study	On track (Aug'23)	Achieved
First HV headline results from AD-214 Phase I extension clinical study	On track (Q4'23)	On track (Nov'23)
Final HV participant visit for AD-214 Phase I extension study	On track (Q4'23)	Early Jan'24
Full safety and tolerability results for AD-214 Phase I extension study	Q1'23	On track
Carina collaboration		
<i>In vivo</i> proof of concept results of A-i-CAR-T cells	On track (H2 2023)	Q1'24
Discovery programs for targets B and C continue	Commencing	On track

B. Corporate and organisation updates

During the quarter, the Company completed the placement of a Shortfall Facility under a non-renounceable pro rata Rights Offer to AdAlta shareholders in Australia and New Zealand (Eligible Shareholders) to acquire 2 new ordinary shares (New Shares) at an issue price of 2.5 cents (\$0.025) per New Share for every 5 shares held by Eligible Shareholders together with 1 option (New Option ASX:1ADOA) for every 2 New Shares subscribed for. Each New Option entitles the holder to subscribe for 1 additional ordinary share at an exercise price of 3 cents (\$0.03) per share with an expiry date of 29 May 2024.

The Shortfall Facility under the Rights Offer was over-subscribed and after scale back raised \$1.87 million, bringing the total raised under the Rights Offer to \$3.15 million. This resulted in the issue of 74,846,752 New Shares together with 37,423,362 New Options to subscribers for the New Shares under the Shortfall Facility as well as a further 15,000,000 options to the corporate advisor for the Rights Offer on the same terms as the New Options.

During the quarter, 100,000 unlisted options were issued under the Company's Omnibus Equity Plan and 450,000 options were cancelled due to expiry or the vesting conditions becoming unable to be met.

C. Financial position

Operating cash outflows for the quarter were A\$2,822,872 (A\$2,063,237 in the prior quarter). The outflows increased largely due to R&D expenditure associated with completion of manufacturing of AD-214 for toxicology studies commenced in the first half of 2023 and the commencement of the Phase I extension clinical study. The manufacturing costs will not be repeated in the December quarter.

AdAlta maintains a \$4.0 million loan facility under the Victorian Government R&D Tax Cash Flow Incentive scheme (Facility). The Facility was fully drawn on 30 September 2023. As announced on 18 October 2023, the Company received a \$2.35 million RDTI rebate in respect of the FY23 year. \$2.0 million will be used to partially repay the Facility and the repayment terms of the Facility have been amended as described in item 7.6 of the Appendix 4C accompanying this report.

The cash balance at the end of the quarter was A\$3.57 million, (A\$4.79 million at the end of the previous quarter). The Company is actively evaluating and progressing multiple activities to raise additional funds, including out-licensing AD-214 and the i-body platform, project financing ongoing development of AD-214 and capital raising.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in item 6.1 of the Appendix 4C were (\$166,957) which include Director fees plus the salary (including superannuation and short-term incentive payments) for the CEO and Managing Director.

Authorised for lodgement by:

Tim Oldham
CEO and Managing Director
October 2023

Notes to Editors

About AdAlta

AdAlta Limited is a clinical stage drug development company headquartered in Melbourne, Australia. The Company is using its proprietary i-body® technology platform to solve challenging drug targeting problems and generate a promising new class of single domain antibody protein therapeutics with the potential to treat some of today's most challenging medical conditions.

The i-body® technology mimics the shape and stability of a unique and versatile antigen binding domain that was discovered initially in sharks and then developed as a human protein. The result is a range of unique proteins capable of interacting with high selectivity, specificity and affinity with previously difficult to access targets such as G-protein coupled receptors (GPCRs) that are implicated in many serious diseases. i-bodies are the first fully human single domain antibody scaffold and the first based on the shark motif to reach clinical trials.

AdAlta is extending Phase I clinical studies for its lead i-body candidate, AD-214, that is being developed for the treatment of Idiopathic Pulmonary Fibrosis (IPF) and other human fibrotic diseases for which current therapies are sub-optimal and there is a high unmet medical need. Preparation for Phase II clinical studies is also underway. AdAlta has a second target in discovery research, also in the field of fibrosis and inflammation.

The Company is also entering collaborative partnerships to advance the development of its i-body® platform. It has a collaboration with Carina Biotech to co-develop precision engineered, i-body® enabled CAR-T cell therapies (i-CAR-T) to bring new hope to patients with cancer. It has an agreement with GE Healthcare to co-develop i-bodies as diagnostic



imaging agents (i-PET imaging) against Granzyme B, a biomarker of response to immuno-oncology drugs, a program now in preclinical development.

AdAlta's strategy is to maximise the products developed using its next generation i-body® platform by internally discovering and developing selected i-body® enabled product candidates against GPCRs implicated in fibrosis, inflammation and cancer and partnering with other biopharmaceutical companies to develop product candidates against other classes of receptor, in other indications, and in other product formats.

Further information can be found at: <https://adalta.com.au>

For more information, please contact:

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Appendix 4C

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

Name of entity

ADALTA LIMITED

ABN

92 120 332 925

Quarter ended ("current quarter")

30 September 2023

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	-	-
1.2 Payments for		
(a) research and development	(1,757)	(1,757)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(605)	(605)
(f) administration and corporate costs	(434)	(434)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	16	16
1.5 Interest and other costs of finance paid	(43)	(43)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,823)	(2,823)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(63)	(63)
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets	-	-
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	(63)	(63)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,872	1,872
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	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(153)	(153)
3.8	Dividends paid	-	-
3.9	Other – (provide details if material)	(56)	(56)
3.10	Net cash from / (used in) financing activities	1,663	1,663
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,790	4,790
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,823)	(2,823)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(63)	(63)

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)	1,663	1,663
4.5	Effect of movement in exchange rates on cash held	-	(5)
4.6	Cash and cash equivalents at end of period	3,567	3,567

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	443	903
5.2	Call deposits	3,124	3,887
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)	3,567	4,790

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**

167

-

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

The amount at 6.1 includes Director fees and CEO and Managing Director salary (including superannuation and short term incentive).

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	4,000	4,000
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	4,000	4,000

7.5 Unused financing facilities available at quarter end

-

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.

Loan facility in place as at 30 September 2023 is a non-dilutive funding facility of up to \$4.0million with Treasury Corporation of Victoria (TCV) as part of the Victorian Government's R&D Cash Flow Loan Initiative. The Facility was received in two tranches: the first of \$2.4 million was received in September 2021; and the second of \$1.6 million was received in the quarter ending 31 March 2022. As at 30 September 2023 the total loan facility was \$4.0million, being fully drawn.

As anticipated in an announcement on 18 October 2023, the repayment terms of the Facility have been amended. The table below outlines the original terms and the amended terms of the Facility as agreed by AdAlta Limited and TCV.

	Original terms	Endorsed Terms	Amended
Facility amount as at date of announcement	\$4,000,000	\$4,000,000	
Repayment	100% by 31 October 2023. Timed to coincide with receipt of FY2023 RDTI	50% by 31 October 2023 15% by 31 January 2024 35% by 30 April 2024	
Interest rate	TCV 11am loan interest rate (currently 4.265%)	TCV 11am loan interest rate (currently 4.265%)*	
Security	FY2022 and FY2023 RDTI refund	FY24 RDTI refund	

* Any overdue instalment payments may also attract an additional 2% interest.

\$2.0 million of the facility will be repaid from the \$2.35 million RDTI rebate received 18 October 2023.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(2,823)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	3,567
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	3,567
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	1.3

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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

8.6.1 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: During the quarter ending 30 September 2023 the company incurred significant R&D costs in relation to the completion of manufacturing activities and the commencement of the Phase 1 extension clinical study. The manufacturing component will not continue in the December 2023 quarter.

Further, as announced on 18 October 2023 the Company received its FY23 R&D tax incentive refund of \$2,350,940 of which \$2.0million will be used to make the first repayment of the TCV loan under an extended repayment schedule, resulting in a net cash increase of \$0.35 million.

8.6.2 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: The Company is actively evaluating and progressing multiple activities to raise additional funds, including out-licensing AD-214 and the i-body platform, project financing ongoing development of AD-214 and capital raising. It has engaged specialist advisers to assist with each of these initiatives, including Just Partnering, Grannus Securities and Peak Asset Management.

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

Answer: As outlined above, the Company has engaged a number of advisors to assist with its multiple business and corporate development initiatives.

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: 27 October 2023

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

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.