



## **ASX Announcement**

31 October 2017

Australian Securities Exchange  
Level 40, Central Park  
152-158 St Georges Terrace  
PERTH WA 6000

## **APPENDIX 4C**

Attached is the Quarterly Report (Appendix 4C) for the quarter ended 30 September 2017.

The Company notes the cash balance at 30 September 2017 of ~ \$4,000. The Company is aware of the need for additional funding to ensure it remains in a position to continue its normal business activities and to ensure the realisation of assets and extinguishment of liabilities as and when they fall due and continues to work on funding options to address the above and to work towards lifting the current trading suspension in the Company's shares.

The Company is currently considering a number of investment opportunities and remains in discussions with certain parties to arrange additional bridging finance.

The Directors also acknowledge their responsibility for ensuring that the Company does not trade insolvent.

## **ENDS**

For further information: Eric Ng, Executive Director, Ephraim Resources Limited: + (65) 9769 7447

## 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**

Ephraim Resources Limited

**ABN**

63 008 666 233

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

30 September 2017

Consolidated statement of cash flows	Current quarter \$'000 AUD	Year to date (3 months) \$'000 AUD
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(6)	(6)
(f) administration and corporate costs	(18)	(18)
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>(24)</b>	<b>(24)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$'000 AUD	Year to date (3 months) \$'000 AUD
	(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	Other (Goldson transaction costs)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</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	15	15
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>15</b>	<b>15</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	13	13
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(24)	(24)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	15	15

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$'000 AUD</b>	<b>Year to date (3 months) \$'000 AUD</b>
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>4</b>	<b>4</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$'000 AUD</b>	<b>Previous quarter \$'000 AUD</b>
5.1 Bank balances	4	13
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>4</b>	<b>13</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$'000 AUD</b>
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	

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$'000 AUD</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	-
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	
N/A	

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$'000 AUD</b>	<b>Amount drawn at quarter end \$'000 AUD</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	527	527
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.		
<p><u>LC Chew : A\$101,660</u></p> <p>On 25 May 2016 the Company entered into a loan agreement with Chew Lee Ching, a related party of Mr Ng, for the advancement of SGD\$100,000 (A\$101,660) to the Company for working capital purposes. Under the revised terms of the loan agreement full repayment of the loan is required by 30 November 2017. The loan carries interest at 10% per annum, repayable at the end of the loan term. The Company will be seeking to settle this loan through the conversion thereof into ordinary shares at the upcoming AGM scheduled for 30 November 2017.</p> <p><u>E Ng : A\$110,000</u></p> <p>On 13 December 2016 the Company entered into a loan agreement with Mr Ng, for the advancement of A\$110,000 to the Company for working capital purposes. Under the revised terms of the loan agreement full repayment of the loan is required by 30 November 2017, unless shareholders approve the conversion of the loan into ordinary shares (the conversion rate to be the lower of \$0.001 per share (on a pre-consolidated basis) or 75% of the volume weighted average price of the Company's shares calculated over the 15 trading days on which trades in the shares were recorded immediately before the relevant shareholder's meeting). The loan carries interest at 20% per annum, repayable at the end of the loan term. The Company will be seeking to settle this loan through the conversion thereof into ordinary shares at the upcoming AGM scheduled for 30 November 2017.</p> <p><u>E Ng : A\$300,000</u></p> <p>On 8 March 2017 Mr Ng settled a then payable loan balance owed by the Company, having previously provided a personal guarantee for the loan. The loan with Mr Ng was extended on the same terms as the loan he settled on the Company's behalf, being \$300,000 at an interest rate of 20% per annum payable on or before 30 November 2017.</p> <p><u>E Ng : A\$15,032</u></p> <p>On 14 August 2017 Mr Ng provided A\$15,032 to the Company for working capital. The loan carries interest at 20% per annum, repayable on or before 31 December 2017 unless extended by mutual consent.</p>		

9. Estimated cash outflows for next quarter	\$'000 AUD
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	5
9.6 Administration and corporate costs	15
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>20</b>

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:



Print name: Frederick Eric J P Ng (Director)

Date: 31 October 2017

### 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.