

ASX Release**28 April 2016****Appendix 4C Quarterly Report – 31 March 2016**

- **4 straight quarters of cash burn reduction from A\$2.3m to A\$1.3m**
- **A\$1m revenue milestone reached in March quarter**
- **Strong customer growth continues with new 6 customers added over the quarter**

OtherLevels Holdings Limited (ASX: OLV) (“**OtherLevels**” or the “**Company**”) has today released its Appendix 4C quarterly report for the period ended 31 March 2016.

The March quarter was another strong quarter of revenue growth for OtherLevels. The Company received A\$1.0m in cash receipts from customers over the quarter, resulting in an underlying net cash burn of A\$1.3m over the same period. The underlying net cash burn excludes the final non-recurring expenditure of A\$0.2m relating to final termination payments as part of the restructuring of the US business.

The important A\$1.0m quarterly revenue milestone was achieved despite adverse A\$ currency movements given the strength of our UK and US client base. Across the March quarter the AUD/USD exchange rate strengthened from 0.70 to 0.75, and the AUD/GBP exchange rate strengthened from 0.49 to 0.53, both negatively impacting the A\$ revenue recognised.

The revenue growth for the quarter was underpinned by the signing of 6 new clients and continued high levels of retention with 85% retention rates with existing clients. OtherLevels has a high calibre team of 7 sales staff and are currently recruiting an additional sales executive.

During the March quarter, OtherLevels completed a placement and entitlement issue which raised A\$2.3m after transaction costs.

- ENDS -

Contacts

Brendan O’Kane
Managing Director and CEO
brendan.okane@otherlevels.com

Alex Scott
Company Secretary
alex.scott@otherlevels.com

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

Otherlevels Holdings Limited

ABN

88 603 987 266

Quarter ended ("current quarter")

31st March 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	978	3,099
1.2 Payments for (a) staff costs	(1,932)	(5,465)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(671)	(2,609)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	11	36
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid) / refunded	84	84
1.7 Other (provide details if material)	-	-
Net operating cash flows	(1,536)	(4,855)

+ 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 (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,536)	(4,855)
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	(1)	(25)
(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	(1)	(25)
1.14 Total operating and investing cash flows	(1,537)	(4,880)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	2,400	2,401
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 - Transaction costs of new share issue	(61)	(61)
Net financing cash flows	2,339	2,340
Net increase (decrease) in cash held	802	(2,540)
1.21 Cash at beginning of quarter/year to date	1,831	4,998
1.22 Exchange rate adjustments to item 1.21	(39)	136
1.23 Cash at end of quarter	2,594	2,594

+ 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	86
1.25	Aggregate amount of loans to the parties included in item 1.11	–

1.26 Explanation necessary for an understanding of the transactions

1.2a Includes the final non-recurring expenditure of \$198,000 relating to the final termination payments as part of the restructuring of the US business.
1.24 Directors' remuneration

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

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

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	–	–

+ See chapter 19 for defined terms.

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

Reconciliation of cash

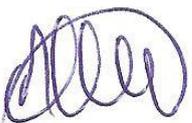
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	2,594	1,081
4.2 Deposits at call	–	750
4.3 Bank overdraft	–	–
4.4 Other (provide details)	–	–
Total: cash at end of quarter (item 1.23)	2,594	1,831

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		

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 ~~does not~~ (delete one) give a true and fair view of the matters disclosed.

Sign here:  Date: ..28.April 2016.....
 (Director/Company secretary)

Print name: ..Alexander Scott.....

+ See chapter 19 for defined terms.

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.

+ See chapter 19 for defined terms.