



30 January 2017

Company Announcements Office
Australian Securities Exchange Limited

Appendix 4C

Attached is the Appendix 4C report for Redflow Limited (Redflow) for the quarter ended 31 December 2016.

The commonwealth government's R&D tax incentive refund of \$2.2million (expected prior to 31 December 2016) was ultimately received on January 6, 2017. Hence the pro-forma cash balance of the company as at 31 December 2016 was approximately \$6.1million.

Redflow continues to monitor its working capital requirements closely and considers that there is a reasonable basis to believe that it will secure additional funding for its operations should that become appropriate or necessary to support the next stages of the delivery of its products to market.

In response to recently expressed interest from some Redflow shareholders to better understanding progress toward achieving our business goals in 2017, please refer to the Redflow January 2017 Market Update issued separately to the market today.

For further information contact

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

RedFlow Limited

ABN

Quarter ended ("current quarter")

49 130 227 271

Dec-16

Consolidated statement of cash flows

		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from customers	308	244
1.2	Payments for		
	(a) staff costs	-398	-1,044
	(b) advertising and marketing	-461	-975
	(c) research and development	-1,215	-1,990
	(d) leased assets		
	(e) other working capital	-2,114	-4,497
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	49	73
1.5	Interest and other costs of finance paid	-8	-15
1.6	Income taxes paid		
1.7	Other (R&D Tax Claim refund)	0	0
1.7	Other (Corporate Advice)		
	Other (R&D Grant Received)	0	15
1.7	Other (Termination Payments)	0	-154
Net operating cash flows		-3,839	-8,343

		Current quarter \$A'000	Year to date (6 months) \$A'000
1.8	Net operating cash flows (carried forward)		
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)		
	(b) equity investments		
	(c) intellectual property	-57	-184
	(d) physical non-current assets	-21	-36
	(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	86	86
	(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	8	-134
1.14	Total operating and investing cash flows	-3,831	-8,477
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	38	38
1.16	Proceeds from sale of forfeited shares		
1.17	Proceeds from borrowings	0	0
1.18	Repayment of borrowings	1	-5
1.19	Dividends paid		
1.20	Other (provide details if material)		
	Net financing cash flows	39	33
	Net increase (decrease) in cash held	-3,792	-8,444
1.21	Cash at beginning of quarter/year to date	7,598	12,355
1.22	Exchange rate adjustments on cash held	118	13
1.23	Cash at end of quarter	3,924	3,924

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	377
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	

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. (See AASB 1026 paragraph 12.2).

		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	3,924	7,598
4.2	Deposits at call		0
4.3	Bank overdraft		
4.4	Other (provide details) (Interest Accrued)		
Total: cash at end of quarter (item 1.23)		3,924	7,598

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 give a true and fair view of the matters disclosed.

Sign here:

Company Secretary

Date: 30 January 2017

Print name: Richard Aird