

**31 July 2019**  
**ASX Announcement**

## June 2019 Quarter in Review – Appendix 4C

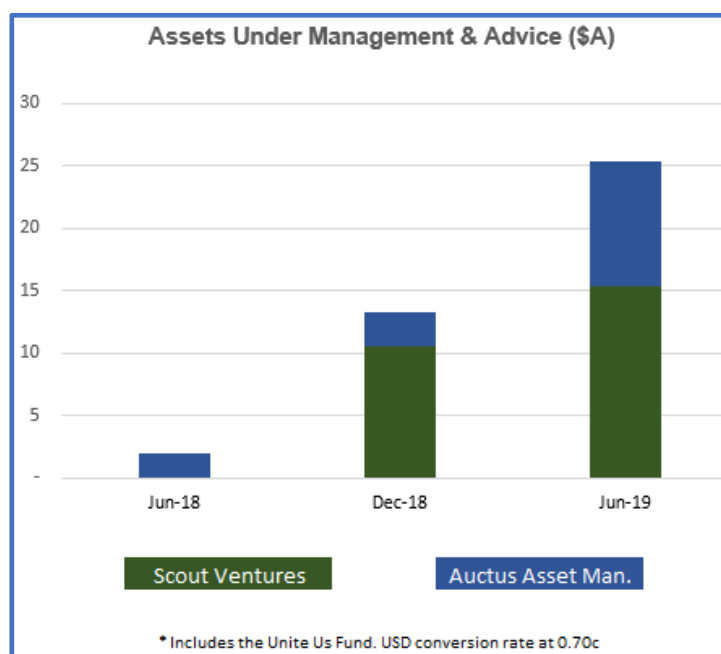
Auctus Alternative Investments Limited ('AVC', 'Auctus' or 'the Company') is pleased to provide the following update in relation to activities for the June quarter of 2019.

### **Auctus Asset Management Pty Ltd (Auctus AM)**

Auctus Asset Management (Auctus AM) had a strong quarter, generating over \$500,000 in cash receipts for the period. In addition to the existing Funds, Auctus AM closed out the US\$4.8m investment into Unite Us. Unite Us is a US based technology platform that enables real-time co-ordination between healthcare and community services, specifically comprehensively tracking the Social Determinants of Health. The Unite Us Fund invested alongside Oak HC/FT, a US based premier growth-equity fund specialising in healthcare and financial services technology.

Unite Us has performed strongly post investment, securing a multi-year contract with Kaiser Permanente (KP) to scale the model and make it available to the 68m individuals living in communities served by KP. In addition, last week Unite Us signed an additional multi-year contract with CVS Health to launch a new social care network.

Auctus AM Assets Under Management and Advice (AUMA) performed well in the June quarter, increasing to approximately \$25m (This excludes the Energy Storage Fund). We continue to conduct in-depth due diligence on a pipeline of unique opportunities which we expect to offer our investors through FY20.



### **RBP Partners LLC**

On 12 June 2019, Auctus AM was pleased to announce that it was establishing RBP Partners LLC (RBP) in partnership with an experienced New York based investment team. In keeping with this announcement Auctus AM launched the US\$25m (approx. A\$35m) Energy Storage Fund on 17 June. The Fund has received strong interest since launch and is expected to close during the September quarter.

We expect to make further announcements regarding RBP shortly.

### **Auctus Investment Holdings Pty Ltd (Auctus IH)**

#### **Gophr Ltd**

As released to the market on 31 May 2019, Auctus IH restructured its shareholding in Gophr. Our investment in Gophr now consists of a 29% equity holding, an £800,000 Convertible Note and a loan to the founders / management of approximately £1.15m.

For the 6 months to June 2019, Gophr produced unaudited sales of approximately £1.67m. This result is pleasing given the December half is generally the stronger one.

Due to the settlement date of the sell down, only 2 months of customer receipts are accounted for in the June 2019 Appendix 4C attached (~£700k). In addition, other than in the event of a sell down or liquidation of the above holdings, Auctus does not expect to account for Gophr's cash receipts in the future.

This will give investors a much clearer picture of the Company and it's growing Asset Management business.

#### **Boppl**

As announced to market on 9 May 2019, Boppl (Australia) Pty Ltd was placed into administration. Boppl was recently placed into liquidation by the administrators of the Company.

This will have no impact on Auctus IH as Boppl was not generating any significant revenue and was cash flow negative.



### **Cash Position**

At the end of the quarter, the Company had approximately \$530k in cash.

As announced to the ASX on 26 June 2019, the Company raised \$1.13m. Part of these proceeds were received prior to the end of June 2019 with the remaining balance received during the month of July 2019.

The Company will have remaining capacity to issue approximately 3.8m shares under rule 7.1 following completion of the placement.

### **On behalf of the board:**

Campbell McComb

### **For all shareholder enquiries please contact:**

[enquiries@auctusinvest.com](mailto:enquiries@auctusinvest.com)

# 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

**AUCTUS ALTERNATIVE INVESTMENTS LIMITED (ASX:AVC)**

ABN

**76 149 278 759**

Quarter ended (Current quarter)

**30 June 2019**

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 Months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,742	7,371
1.2 Payments for:	-	-
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,159)	(5,032)
(c) advertising and marketing	(124)	(427)
(d) leased assets	-	-
(e) staff costs	(556)	(2,634)
(f) administration and corporate costs	(442)	(1,998)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	3
1.5 Interest and other costs of finance paid	(6)	(22)
1.6 Income taxes (paid) / refunded	-	3
1.7 Government grants and tax incentives	-	163
1.8 Other (provide details if material): Legal settlement	-	(100)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(545)</b>	<b>(2,673)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(1)
(b) businesses (see item 10)	-	-
(c) investments	-	(693)
(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 (provide details if material)	(12)	(12)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(12)</b>	<b>( 706)</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 Months) \$A'000</b>
<b>3. Cash flows from financing activities</b>			
3.1 Proceeds from issues of shares		585	3,298
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		-	(34)
3.5 Proceeds from borrowings		-	118
3.6 Repayment of borrowings		(20)	(20)
3.7 Transaction costs related to loans and borrowings		-	-
3.8 Dividends paid		-	-
3.9 Other (provide details if material): Share proceeds in advance		268	268
<b>3.10 Net cash from / (used in) financing activities</b>		<b>833</b>	<b>3,630</b>
<b>4. 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		258	282
4.2 Net cash from / (used in) operating activities (item 1.9 above)		(545)	(2,673)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		(12)	(706)
4.4 Net cash from / (used in) financing activities (item 3.10 above)		833	3,630
4.5 Effect of movement in exchange rates on cash held		-	1
<b>4.6 Cash and cash equivalents at end of quarter</b>		<b>534</b>	<b>534</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 \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances		534	258
5.2 Call deposits		-	-
5.3 Bank overdrafts		-	-
5.4 Other (provide details)		-	-
<b>5.5 Cash and cash equivalents at end of quarter</b> (should equal item 4.6 above)		<b>534</b>	<b>258</b>
<b>6. Payments to directors of the entity and their associates</b>		<b>Current quarter \$A'000</b>	
6.1 Aggregate amount of payments to these parties included in item 1.2		189	
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			
Directors fees and salaries including payment of invoices and amounts due from prior periods			
<b>7. Payments to related entities of the entity and their associates</b>		<b>Current quarter \$A'000</b>	
7.1 Aggregate amount of payments to these parties included in item 1.2		68	
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			
Payment of investment management expenses to Scout Fund II GP, an associated entity of non-executive director Brad Harrison, in relation to the closure of the Unite US fund.			

<b>8. Financing facilities available</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
Add notes as necessary for an understanding of the position		
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
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.		

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<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(100)
9.4 Leased assets	-
9.5 Staff costs	(420)
9.6 Administration and corporate costs	(200)
9.7 Other (Scout payment)	(185)
<b>9.8 Total estimated cash outflows</b>	<b>(905)</b>

<b>10. Acquisitions and disposals of business entities</b> (items 2.1(b) and 2.2(b) above)	<b>Acquisitions</b>	<b>Disposals</b>
10.1 Name of entity	-	Gophr Inc.
10.2 Place of incorporation or registration	-	United Kingdom
10.3 Consideration for acquisition or disposal	-	2,131,200
10.4 Total net assets / (deficiency)	-	(1,791,978)
10.5 Nature of business	-	Courier Platform

#### **Acquisition of High Line Alternative Investments Pty Ltd**

The Company completed the acquisition of High Line Alternative Investments Pty Ltd during the previous financial year. As at the date of this report there were no further Milestone Shares remaining to be issued in respect of the acquisition of High Line Alternative Investments Pty Ltd. The Company obtained waivers from the ASX under Listing Rule 7.3.2 to issue these Milestone Shares upon satisfaction of Milestone Targets.

These are detailed as follows:

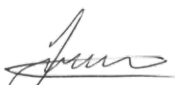
- 750,000 ordinary fully paid shares (post share consolidation) to be issued if funds held in managed investment trusts or similar entities which are managed by the YNB group or held funds in respect of which the YNB Group acts as investment advisor (Funds Under Management or Advice) exceeds \$10 million on or before 31 December 2018 (Milestone 1 Shares).
- 750,000 ordinary fully paid shares (post share consolidation) to be issued if Funds Under Management or Advice exceed \$17.5 million on or before 30 June 2019 (Milestone 2 Shares).
- 750,000 ordinary fully paid shares (post share consolidation) to be issued if Funds Under Management or Advice exceed \$25 million on or before 31 December 2019 (Milestone 3 Shares).

Each of the tranches of shares referred to above, will be subject to voluntary escrow for a period of 12 months from their respective issue dates.

1,500,000 Milestone Shares (post share consolidation) were issued during the quarter.

## **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.

Signed:  Dated: Wednesday, 31 July 2019

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Company Secretary  
Print name: Justin Mouchacca

## **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.