



Unit 1
8 Turbo Road
Kings Park NSW 2148 Australia
ABN 25 001 150 849

Email: projects@scidev.com.au
Website: www.scidev.com.au
ASX code: SDV

Companies Announcements Office
Australian Stock Exchange

31st January 2022

December Quarter Trading Update

SciDev Ltd (ASX: SDV) ('SciDev' or 'the Company') is pleased to provide an update on its financial and operational performance for the quarter ended 31 December 2021 (Q2FY22).

Financial Highlights*

- Q2 FY22 revenue of A\$13.7m a 32% uplift on Q1 FY22 with cash receipts of A\$9.77m
- The December quarter saw a return of one-off project and services revenue as COVID related travel restrictions eased in some Australian states
- Operating cashflow in 2nd quarter was negative \$1.9M primarily due to a planned inventory build, taking advantage of prevailing market prices and to insulate from seasonal supply chain risks
- The company successfully raised \$17.4M in additional capital to be used to accelerate the growth of the business
- Cash and cash equivalents of A\$16.4m as 31 December 2021

* Revenue figures are unaudited

New Innovation Success

- SciDev have been engaged by a leading ASX listed waste management company on the detailed design of a PFAS and ammonia water treatment system using SciDev technology
- Oil & Gas: Ongoing collaboration with BPX has translated into the CatCheck technology use on multiple wells operated by Haliburton with additional geographic basins being evaluated
- Continued development of environmentally friendly green chemistry initiatives to displace oil based chemistries

Commercial and Operational Highlights in Q2

- Iluka's Jacinth Ambrosia mine have extended the existing three-year contract for a further year, until August 2023
- Continued execution against contracts with major Australian mining companies, SciDev is now

active on over 20 mine sites globally.

- Oil & Gas revenue was up 100% versus the prior quarter in part reflecting increasing market activities
- SciDev technology has delivered 11 full scale PFAS projects in the past 6 years, achieving a reduction in contaminant levels of over 99.999%.
- Business development activities in the global infrastructure sector continue, with focus on tunnel boring opportunities in the USA and Europe
- The company is awaiting results on several commercial tenders in Construction and Oil sands
- Several leadership changes in Oil & Gas, Mining & Construction and Finance
- Payments to Directors and their associates for the quarter (\$208K) includes fees paid to Non-Executive Directors, remuneration to the MD&CEO and rent paid to a company associated with a Director.

Table1: Revenue by vertical*

Sector revenue (A\$,000s)	Mining & Mineral Processing	Oil & Gas	Construction & Infrastructure	Water	Total
Q2 FY21	\$4,248	\$4,048	\$387	\$208	\$8,891
Q3 FY21	\$2,949	\$4,858	\$3,071	\$341	\$11,219
Q4 FY21	\$4,887	\$3,637	\$951	\$3,761	\$13,239
Q1 FY22	\$3,401	\$4,000	\$54	\$2,939	\$10,394
Q2 FY22	\$2,788	\$8,009	\$12	\$2,935	\$13,744

**Unaudited*

Outlook

Management focuses for FY22 include:

- Driving SciDev's market leading solution in the growing PFAS market
- Pursue opportunities in Construction in North America and Europe
- Continue to convert opportunities in Oil & Gas
- Execute on opportunities in Mining
- Continued focus on increasing sales and cash conversion in all regions
- Relocation and expansion of Australian manufacturing facilities and lab upgrade
- Expand inhouse Green Chemistry development and manufacturing to meet growing demand

Lewis Utting

Managing Director & Chief Executive Officer

This release has been approved by the Board of Directors of SciDev Limited.

For Further Information:

Corporate

Lewis Utting – MD & CEO

Heath Roberts – Company Secretary

(+61) 2 9622 5185

Investors

Craig Sainsbury – Market Eye

craig.sainsbury@marketeye.com.au

(+61) 428 550 499

About SciDev

SciDev is a leader in the environmental solutions market focused on water intensive industries. SciDev brings together world-class technology, chemistry and application to solve pressing operational and environmental issues for the water, oil and gas, mining and construction markets.

Appendix 4C

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

Name of entity	
SciDev Limited	
ABN	Quarter ended ("current quarter")
25 001 150 849	31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	9,770	22,205
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(9,489)	(20,165)
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(2,117)	(4,412)
	(f) administration and corporate costs	-	-
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	1
1.5	Interest and other costs of finance paid	(63)	(130)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	19	1,163
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(1,880)	(1,338)

2	Cash flows from investing activities		
2.1	Payments to acquire and for:		
	(a) entities	-	-
	(b) businesses	(2,922)	(4,115)
	(c) property, plant and equipment	(940)	(1,289)
	(d) investments	-	-
	(e) intellectual property	(34)	(59)
	(f) other non-current assets	(41)	(48)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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	(3,937)	(5,511)

3	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	18,358	18,388
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	(954)	(954)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(592)	(1,194)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	16,812	16,240

4	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,416	7,010
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,880)	(1,338)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,937)	(5,511)
-----	-----------------------------------------------------------------	---------	---------

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	16,812	16,240
4.5	Effect of movement in exchange rates on cash held	(2)	8
4.6	Cash and cash equivalents at end of quarter	16,409	16,409

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	16,409	5,416
5.2	Call deposits	-	-
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)	16,409	5,416

6	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	208
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

Amount included in 6.1 comprises fees paid to Non-executive Directors and remuneration for the Managing Director and rent paid to a company associated with a Director.

Appendix 4C

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

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	3,517	3,517
7.2	Credit standby arrangements	-	-
7.3	Other - invoice purchase facilities	6,001	
7.4	Total financing facilities	9,518	3,517
7.5	Unused financing facilities available at quarter end		6,001
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.		
	Secured	%	Maturity date
	Gulf Coast Bank (Texas USA)		Facility amount \$A’000
	(Invoice purchase facility (facility USD 1.5million))	4.25%	10/09/2022
	Apricity Finance Group (Australia)		2,001
	(Invoice purchase facility)	21.00%	31/12/2021*
	Haldon Industries Pty Limited (Australia)		4,000
	(Equipment purchase facility)	6.00%	30/06/2023
	Finance leases (motor vehicles)	6.00%	within 4 years
			198
			9,518
	Unsecured		
			9,518
	* Evergreen facility, on 1 January 2022 3 month roll to 31 March 2022		
8	Estimated cash available for future operating activities		\$A’000
8.1	Net cash from / (used in) operating activities (Item 1.9)		(1,880)
8.2	Cash and cash equivalents at quarter end (Item 4.6)		16,409
8.3	Unused finance facilities available at quarter end (Item 7.5)		6,001
8.4	Total available funding (Item 8.2 + Item 8.3)		22,410
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)		11.9
	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:		
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:		
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:		
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:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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: 31 01 2022

Lewis Utting

Authorised by:
(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.