

30 January 2020
ASX Announcement

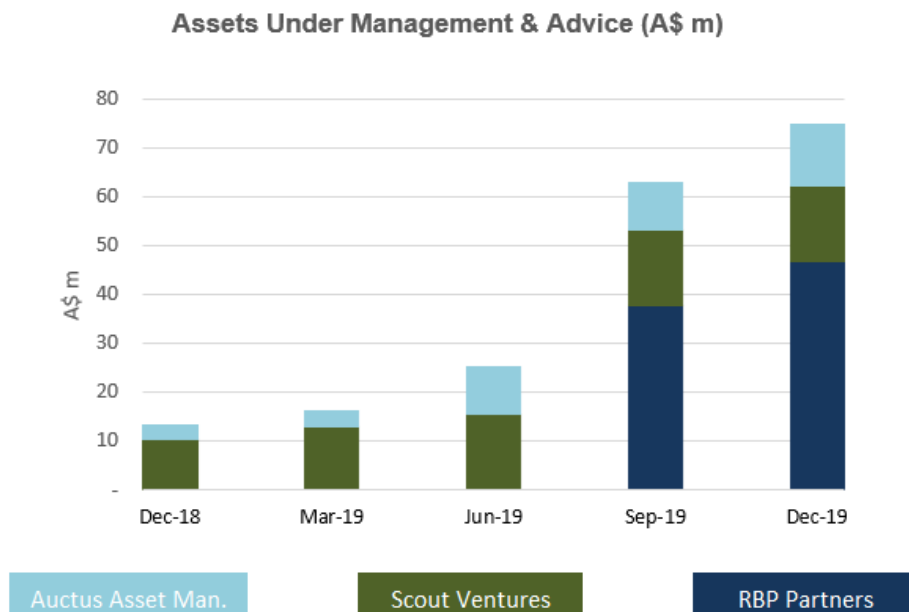
- **Assets Under Management and Advice up 25% to \$75m as at 31 December 2019**
- **Cash receipts up 110% to \$645,000 for the December quarter**
- **59% reduction in net cash used in operations (December vs September quarters)**

December 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 December quarter of 2019.

Auctus Asset Management Pty Ltd (Auctus AM)

Auctus Asset Management (Auctus AM) had another strong quarter of growth in Assets Under Management and Advice (AUMA), increasing a further 25% since September to **over \$75m at the end of December**.



As a result of the growing AUMA, Auctus AM generated **\$645,000 in cash receipts**, more than doubling the \$307,000 received in the September quarter.

In turn, this led to AVC (as a group) decreasing cash used in operations by almost 60% to \$291,000 for the December quarter.

While we expect to see further improvement in cash receipts over the coming 6-12 months, the exact timing of these is dependent on the establishment of new Fund offerings. Management remains focused on the continued growth in AUMA; however the quality of our Fund offerings is paramount. Auctus is continuing due diligence on several new opportunities, both domestically and overseas.

RBP Partners LLC

During the quarter, AVC (via Auctus AM) settled a US\$250,000 payment to RBP Partners LLC (RBP) for its 30% partnership stake. RBP currently manages in excess of US\$30m (A\$45m) in its initial investment, esVolta LP. RBP continues to explore a range of accretive opportunities across North America.

Auctus Investment Holdings Pty Ltd (Auctus IH)

Gophr

Gophr continues to progress well, with calendar year revenue growth of over 20%. Gophr has made a number of key personnel hires to aid with expansion across multiple major cities in the UK over coming months. Revenue from Gophr's largest customers grew over the December quarter and is expected to continue during 2020. Gophr is progressing toward a Series A raise during Q2 or Q3 of CY2020.

Cash Position

At the end of the quarter, the Company had approximately \$293k in cash.

Further revenue from our Fund offerings has been and will continue to be received during the March 2020 quarter. Management continue to be excited about the opportunities ahead for our business as we build out a globally scalable alternatives asset management platform.

For and on behalf of the board:

Campbell McComb
+61 3 9088 8670

For all shareholder enquiries please contact:

enquiries@auctusinvest.com

**About Auctus Alternative Investments Limited:**

Auctus Alternative Investments Limited (ASX:AVC) is an ASX listed investment manager. AVC's primary focus is to invest into companies and platforms operating in growth sectors with strong tailwinds and significant potential to scale. AVC provides access to these private market investments for wholesale, family office and institutional investors.

Why Auctus?

We have unique access to domestic and global opportunities via our networks and joint venture partners. We have a highly disciplined investment approach. Auctus is able to 'de-risk' investment in private markets via the provision of expansion capital to more established companies. We focus on delivering excess returns and portfolio diversification

What do we deliver?

Investments where Auctus and co-investors can deploy between \$5M - \$50M. Unique private market opportunities which are globally scalable, are growth businesses and have strong management. Expansion stage investment opportunities after product, customer and revenue streams have been proven.

About RBP Partners:

- RBP Partners, LLC ("RBP") is a New York based private investment firm focused on energy transformation and operational infrastructure investments
- The team at RBP specializes in scalable infrastructure investments supported by strong sector fundamentals. RBP also looks to partner with quality management teams that are leaders within their sector
- RBP is 30% owned by Auctus.

About Scout Ventures LLC:

- Scout Ventures is an early stage venture capital firm that is making the world a better, safer place by cultivating standout frontier technologies built by hard-to-access founders.
- Scout has an established and unparalleled reputation of scaling start-ups into industry leaders through their unique government and military networks, domain knowledge and operational experience.
- Auctus has a 10% economic interest in Scout Ventures Fund III and Scout also serves as a provider of proprietary later stage private equity opportunities from the USA (i.e. Unite Us).

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)

31 December 2019

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	645	952
1.2 Payments for:		
(a) research and development	-	-
(b) product manufacturing and operating costs	(198)	(255)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(339)	(835)
(f) administration and corporate costs	(399)	(865)
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) / refunded	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material): Legal settlement	-	-
1.9 Net cash from / (used in) operating activities	(291)	(1,003)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments*	(357)	(539)
(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)	-	-
2.6 Net cash from / (used in) investing activities	(357)	(539)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 Months) \$A'000
3. Cash flows from financing activities			
3.1 Proceeds from issues of shares		800	1,335
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		(13)	(29)
3.5 Proceeds from borrowings		-	-
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):		-	-
3.10 Net cash from / (used in) financing activities		787	1,306
4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1 Cash and cash equivalents at beginning of quarter/year to date		147	519
4.2 Net cash from / (used in) operating activities (item 1.9 above)		(291)	(1,003)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		(357)	(539)
4.4 Net cash from / (used in) financing activities (item 3.10 above)		787	1,306
4.5 Effect of movement in exchange rates on cash held		7	10
4.6 Cash and cash equivalents at end of quarter		293	293
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		293	147
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)		293	147
* Payment of \$250k USD to RBP Partners LLC for 30% equity interest, as announced on 29 August 2019.			
6. Payments to directors of the entity and their associates		Current quarter \$A'000	
6.1 Aggregate amount of payments to these parties included in item 1.2		198	
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. Also includes \$40,000 paid to a related party of Michael Hynes, for the facilitation and settlement of debts owed by the company.			
7. Payments to related entities of the entity and their associates		Current quarter \$A'000	
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			
-			

8. Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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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9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(200)
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	(340)
9.6 Administration and corporate costs	(400)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(940)

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 / (deficiency)	-	-
10.5 Nature of business	-	-

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Signed: 

Dated: Thursday, 30 January 2020

Company Secretary

Print name: Justin Mouchacca

Notes

- 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.
- 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.
- 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.