

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

Flamingo AI Limited

ABN

99 000 031 292

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	206	573
1.2 Payments for		
(a) research and development	(819)	(1,985)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(30)	(276)
(d) leased assets	-	-
(e) staff costs	(694)	(2,067)
(f) administration and corporate costs	(518)	(1,312)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	32	45
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives - <i>R&D rebate received</i> ¹	36	134
1.8 Other (provide details if material)	93	143
1.9 Net cash from / (used in) operating activities	(1,695)	(4,745)

¹ Proceeds received from R&D rebate.

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(19)	(47)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(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 – cash on reverse takeover acquisition	-	-
2.6 Net cash from / (used in) investing activities	(19)	(47)

3. Cash flows from financing activities		
3.1 Proceeds from issue of shares	184	15,323
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	(32) ²	(871)
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	152	14,452

² Costs associated with Capital Raising in Q2.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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	14,592	3,393
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,695)	(4,745)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(19)	(47)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	152	14,452
4.5	Effect of movement in exchange rates on cash held	(5)	(28)
4.6	Cash and cash equivalents at end of quarter	13,025	13,025

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	13,025	14,588
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)	13,025	14,588

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	(84)
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	

The aggregate amount of payments to directors and their associates during the quarter ended 31 March 2018 totalled to \$84,295. These payments relate to director fees and salary paid to the CEO.

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	(30)
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	

The aggregate amount of payments to related entities of the entity and their associates during the quarter ended 31 March 2018 totalled to \$30,000. These payments related to the legal services.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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.		

None

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(847)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing, net of grants	(164)
9.4 Leased assets	-
9.5 Staff costs	(1,105)
9.6 Administration and corporate costs	(385)
9.7 Other (provide details if material) ³	(66)
9.8 Total estimated cash outflows	(2,567)

³ Mainly related to renewal of insurance and legal fee for IP.

