

ASX ANNOUNCEMENT

30 July 2024

JUNE 2024 QUARTERLY ACTIVITIES REPORT

QUARTERLY ACTIVITY

RemSense had an extremely busy and productive quarter with contracts won, work undertaken and sales pipeline expansion.

Projects

During the quarter, the Company delivered high-resolution drone-captured imagery of Newmont Boddington gold mine's primary crusher and 3 km conveyor in *virtualplant Air*. The Company used this imagery to refine the modelling process, producing improved high-resolution 3D models. These models enhance user experience and their ability to gain deeper insights for external inspections, thereby eliminating high-risk activities such as working at heights and exposing staff to harm. Further terrestrial scanning of the primary crusher using high resolution 360° cameras has commenced. This imagery will be delivered in *virtualplant* to provide the user an immersive reality experience of being both inside and outside the plant.

RemSense finalised the schedule for high resolution reality scanning of a global Tier 1 Oil and Gas producer's Liquefied Natural Gas (**LNG**) Train in the northwest of Australia. A team of three (3) RemSense Scan Technicians commenced work in early July 2024 with a scheduled completion date of 2 August 2024. The schedule for high resolution reality scanning of another of the client's LNG Trains is yet to be finalised but is tentatively set to commence 1 October 2024 and be completed by 29 October 2024. The total value of this work is \$1,068,391.

Building on the successful reality imagery capture of previous assets and the ongoing projects mentioned above, RemSense is in advanced discussions regarding the scanning of the first international assets for this global Tier 1 Oil and Gas producer.

RemSense continued regular monthly drone-based remote water sampling campaigns in abandoned open pits for BHP. This is to support their regulatory monitoring obligations in compliance with their environmental license conditions.

The Company completed an extensive two-week long water sampling program for a large mining environmental consultancy on behalf of a tier 1 global mining client. In addition to water sampling, the consultancy contracted RemSense to perform a high-resolution drone-based photogrammetry survey of the abandoned pit walls. This imagery was processed and modelled into high resolution 3D model. The imagery is used to assess the mineralogy of the rock types in the pit wall which in conjunction to the water samples assists with analysis of the chemistry of the water in the pits.

Opportunities

RemSense has been building its business development capability which has resulted in a growing sales pipeline with opportunities across Oil and Gas, mining, and utilities sectors. This includes RemSense's growth strategy by increasing usage within our current client base, leveraging these relationships to acquire new clients within the same industries, and expanding into new sectors.

Our increased business development capability includes experience in the construction and facility management sectors. This has resulted in interest from large facility management companies as well as a manager of large Perth Metropolitan Health facilities.

RemSense has provided Woodside Energy Limited proposals for annual rescan of their FPSOs (Pyrenees, Okha and Ngujima-Yin). Tentative schedule for Pyrenees rescan is late 2024 with Okha and Ngujima-Yin in early 2025.

The Company continued its engagement with an external sales consulting agency, The Models Method, to enhance its sales messaging and communication methodology. New sales and marketing materials are in production for use in sales presentations and marketing campaigns.

RemSense is continuing to seek and establish strategic partnerships with innovative technology companies developing cutting-edge applications. RemSense is in discussion with two groups regarding partnerships to deliver drone and terrestrial based scanning services to expand RemSense's international capability and capacity.

Product

Completed re-architecture of the *virtualplant* platform to provide a new and improved user interface and homepage. Clients have been upgraded to the new interface bolstering their access to advanced configuration and data security features.

Further enhanced *virtualplant's* IoT capabilities to facilitate efficient integration of sensors and devices. This has enabled *virtualplant* to be a platform for centralised insights displaying real time operational parameters and system information.

RemSense is continuing to optimise its AI functions, in particular, it's *Asset Audit* AI-driven application which is proving to be a valuable resource in driving breakthrough asset management capabilities. *Virtualplant* is at the forefront of solution development, integrating AI across its product suite to deliver new and significantly enhanced solutions to customers.

During the past quarter, RemSense has engaged in wider Enterprise level contract negotiations, further demonstrating RemSense's and *virtualplant's* capability to deliver Enterprise level service and product to meet global Tier 1 customer's requirements.

In partnership with a large multinational mining company, RemSense continued to research and develop a suspension system for a drone-based magnetometer for use in mineral exploration. This is to expedite aeromagnetic surveys and to reduce processing time making these airborne surveys very cost effective.

Board Changes

During the Quarter, Non-Executive Director Richard Pace resigned from the RemSense Board stating that he is confident that RemSense is on a great trajectory, and it is the right time for him to step down allowing him to focus on his other business interests.

Concurrently to Mr Pace's resignation, RemSense appointed Warren Cook as Managing Director. Mr Cook has been RemSense's Chief Executive Officer since September 2023.

ADDITIONAL APPENDIX 4C DISCLOSURES

The following information is provided as required under ASX Listing Rule 4.7C that has not been disclosed in the body of the quarterly activities report.

ASX Listing Rule 4.7C.3

Payments to related parties totalling \$89K for the quarter, comprising director and key management personnel salaries and superannuation.

-ENDS-

This announcement has been approved for release by the Board of RemSense Technologies Limited.

For further information:

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About RemSense

RemSense Technologies Limited (ASX: REM)

RemSense has developed *virtualplant*, a high-resolution 3D photographic asset visualisation platform that fulfills the promise of VR/AI technology as a digital representation of plant assets (visual twin). *Virtualplant* integrates with existing business operations and asset management systems to deliver greater productivity, increased safety, and reduced costs.

Appendix 4C

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

Name of entity

RemSense Technologies Limited

ABN

50 648 834 771

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	618	1,895
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(79)	(293)
(c) advertising and marketing	(64)	(209)
(d) leased assets	-	-
(e) staff costs	(280)	(2,040)
(f) administration and corporate costs	(158)	(623)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	(21)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	25
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	37	(1,266)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant, and equipment	-	(23)
(d) investments	-	-
(e) intellectual property	(227)	(656)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	8
	(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	(227)	(671)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)*	-	1,783
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	(41)	(98)
3.5	Proceeds from borrowings	-	197
3.6	Repayment of loans	(106)	(318)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease liabilities right of use assets)	(25)	(91)
3.10	Net cash from / (used in) financing activities	(172)	1,473

Note: * includes \$300,000 of funds received from directors. Shareholder approval is being sought at a meeting of shareholders on 10 May for the issue of shares for this investment.

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	688	790
4.2	Net cash from / (used in) operating activities (item 1.9 above)	37	(1,266)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(227)	(671)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(172)	1,473
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	326	326

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	326	688
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)	326	688

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amounts of payments to related parties and their associates included in item 1	89
6.2	Aggregate amounts of payments to related parties and their associates included in item 2	-
<i>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.</i>		

7.	Financing facilities <i>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.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	37
8.2	Cash and cash equivalents at quarter end (item 4.6)	326
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	326
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	8.81
	<i>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.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
	8.6.1 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: N/A	
	8.6.2 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: N/A	
	8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>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.</i>	

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: 30 July 2024

Authorised by: Board of Directors
(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.