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ASX ANNOUNCEMENT

Third quarter update and cashflow

Highlights:

- **Cash receipts up 262% on Q2**
- **CT1's Cold Chain solution monitoring COVID-19 vaccine batches**
- **Monash University doubles its deployment of the Cold Chain solution**
- **Successful initial deployments of MeridianCT™ Platform in China**
- **$3.44m in cash held at end of quarter**

30 April 2021 – IoT solutions company, Constellations Technologies Limited (ASX: CT1) (the "Company" or "Group") is pleased to provide a summary update on its activities for the quarter ended 31 March 2021.

Cash receipts for the quarter were up 260% on the previous quarter with $512k received in Q3 as payment milestones from existing projects. Cash receipts for the nine months of the financial year to date were 292% higher, at $1.2 Million, than the previous corresponding FY period. The increasing sales receipts reflects the efforts of the team in successfully progressing the projects signed in previous quarters.

Consistent with group strategy, in completing new projects across China and Australia, the functionality of the Group's core IoT platform – The MeridianCT Platform (MCT) continues to broaden, to support growth in the Smart Cities and Industrial IoT sectors.

The MCT has been officially deployed in China as part of the fulfillment for existing projects. Deploying a comprehensive IoT and integration platform in different geographies, languages, operating environments and industry verticals is a major technical and operational achievement.

Capitalising on the building resume of applications, early business development initiatives in Australia in the last six months have also built a significant revenue pipeline, the majority of which is projected to be recurring in nature.

COVID-19 vaccine monitoring

CT1's Cold Chain solution has been deployed to monitor the temperature integrity of Pfizer vaccine doses at Barwon Health's University Hospital Geelong, one of the initial sites in Australia storing vaccines. The Cold Chain solution is now deployed across all Barwon Health departments and facilities in more than 200 refrigeration assets.

It is one of the very few IoT solutions that has undergone NATA (National Accreditation and Testing Authority) calibration to confirm its ability to monitor extreme temperatures to the requisite accuracy for highly sensitive materials such as vaccines.

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Monash University was the first customer to deploy CT1's extreme temperature capabilities of the Cold Chain solution for monitoring its high-value research specimens. Since 1 January 2021 Monash has doubled its deployment of the solution to 320 monitoring points and is expected to continue their staged roll-out.

The Company confirms that none of the abovementioned contracts are individually incrementally financially material pursuant to ASX Guidance Note 8. The Company will advise if subsequent follow-on orders reach materiality on a cumulative basis.

Expenditure & financing activities

Operating costs for the quarter were broadly consistent with previous quarters.

From 1 January 2021 to the end of April, the Company has issued circa 99.67m shares in relation to the exercise of $0.015 options for which it has realised proceeds of $1.495m. The Company has a further 391m options on issue exercisable at $0.015, that if exercised would raise a further $5.87m.

Related party cash payments for the quarter of $102k include directors fees to non-executive and executive director's (including the CEO), as well as rental and legal fees paid to entities associated with the Chairman.

The board thanks all shareholders for their continued support and interest in the Company.

Authorised for release by the Board of Constellation Technologies Limited.

For further information please contact: enquiries@ct1limited.com

About Constellation Technologies

Constellation Technologies Limited (ASX: CT1) is a publicly listed IoT and Digital Solutions company with an international client portfolio innovating, deploying and supporting applications across multiple industry verticals. CT1 designs, engineers, builds and integrates systems, combining comprehensive software expertise with custom hardware development and production to drive deep-value from data enabling continued digitisation of industry, companies and communities. CT1 is based in Australia with wholly-owned subsidiaries in India and China.

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Appendix 4C

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

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Name of entity

Constellation Technologies Limited

ABN	**Quarter ended ("current quarter")**
58 009 213 754	31st March 2021

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	512	1,234
1.2	Payments for		
	(a) research and development	(100)	(192)
	(b) product manufacturing and operating costs	(214)	(947)
	(c) advertising and marketing	(19)	(52)
	(d) leased assets	(16)	(32)
	(e) staff costs	(543)	(1,460)
	(f) administration and corporate costs	(193)	(598)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	2
1.5	Interest and other costs of finance paid	-	(5)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(572)**	**(2,051)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(56)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 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	(146)	(146)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	(403)
2.6	**Net cash from / (used in) investing activities**	**(146)**	**(605)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	59	286
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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	Funds held pending issue of equity	-	1,436
3.10	**Net cash from / (used in) financing activities**	**59**	**1,722**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,105	4,400
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(572)	(2,051)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(146)	(605)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	59	1,722
4.5	Effect of movement in exchange rates on cash held	(3)	(24)
4.6	**Cash and cash equivalents at end of period**	**3,443**	**3,443**

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	3,443	4,105
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Cash in transit		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**3,443**	**4,105**

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	(102)
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

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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	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
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)	(572)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	3,443
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	3,443
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	6.019

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: N/A

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

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

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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: **30th April 2021**

Authorised by: **The Board**

(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.

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