



Announcement to ASX  
ASX Code: HTG

July 27, 2021

## ACTIVITIES REPORT – JUNE QUARTER 2021

### HIGHLIGHTS:

- Acquisition of U.S. based software-as-a-service (SaaS) company SnapSupport Inc.
- Successfully raised \$7.6 million via a private Placement
- Commencement of fit-out of purpose-designed central innovation hub at Technology Park WA
- Engagement of Chief Technology Officer - Software to drive Research and Development
- Fugro Australia Marine USV “Maali” undertook inaugural subsea inspection project for Woodside with Nodestream 8-Channel Encoder
- End of quarter cash balances of \$6.7M

**July 27, 2021:** Harvest Technology Group Limited (ASX:HTG) (Harvest) (Group), a global leader in network optimised remote operations, is pleased to provide its quarterly activities report and commentary for the June quarter 2021.

The Group reports closing cash balances for the quarter of \$6.7M. The cashflow from operating activities contained in the Appendix 4C highlights continued investment in research and development, people and systems, as well as continued investment in customer development and global relationships.

At the end of the quarter, \$5.8M in revenue was either owing or yet to be invoiced.

### STRATEGIC PLAN – DELIVERING ON PROMISE

In alignment with its Three-Phase Strategic Plan launched to market in October 2020, the Group has been heavily focused on implementation of the steps required for a global roll-out of its leading-edge technology. Phase 1 of the strategic plan is on track and all conditions for the success of this phase are being met or exceeded. The Group is confidently planning to successfully transition to Phase 2 before the end of 2021.

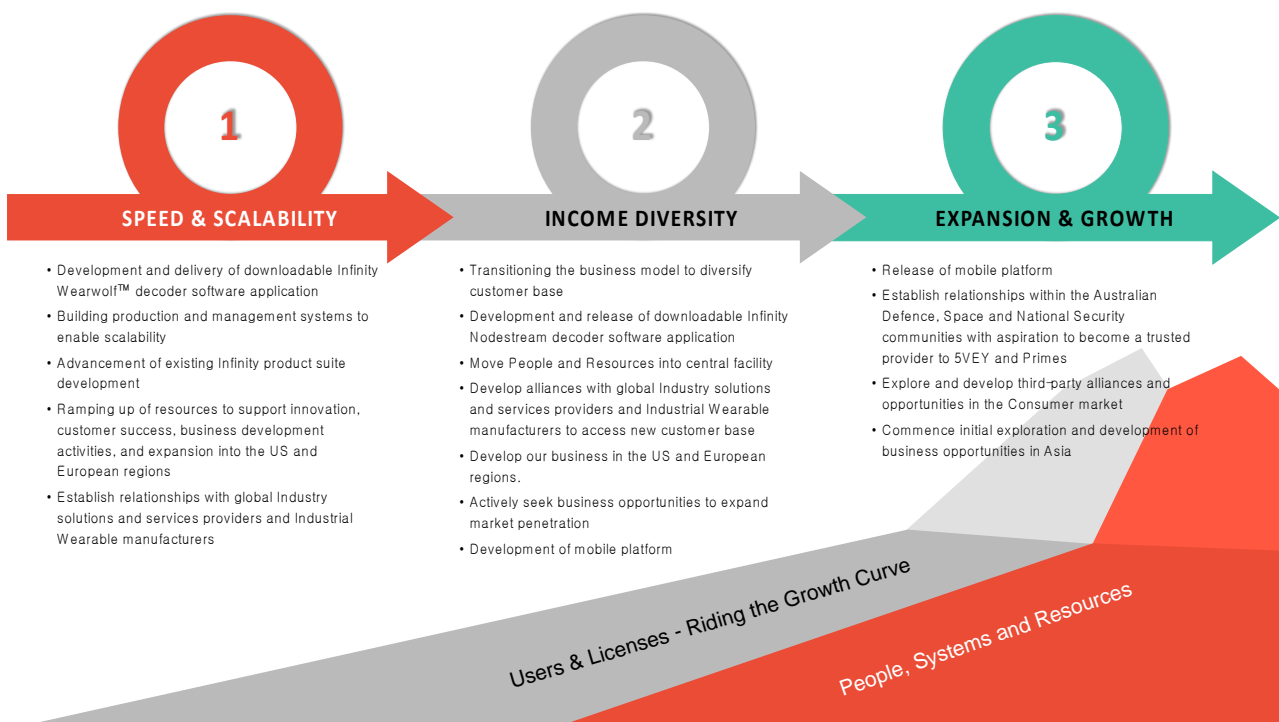
The plan is summarised in the following three (3) phases:

- Phase 1 – Improving speed to market and setting course for scalability
- Phase 2 – Establishing income diversity
- Phase 3 – Expansion and growth



Announcement to ASX  
ASX Code: HTG

Underpinned by a series of synchronised implementation plans that acknowledge the crucial challenges of successfully growing an organisation, transitioning to new markets and sectors as well as significantly scaling up growth, this strategy purposefully uses a conditions-based methodology. This ensures that the foundations for success are established before proceeding onto more ambitious phases thereby reducing risk, cost, and complexity.



Phase 1, which is in progress and due for completion in the second half of 2021 focuses on significantly improving the speed to market for new applications and building production and management systems to enable scalability. Emphasis has been placed on development of global alliance and sales opportunities and the ramping up of resources to support innovation, business development, and expansion into the U.S. All conditions for this phase remain on track to be successfully achieved, allowing the Group to transition to and commence Phase 2 with high confidence. Phase 2 seeks to deliver significant growth in revenue and diversified income streams.

Phase 1 conditions involve:

- Development and delivery of downloadable Infinity Wearwolf™ decoder software application
- Building production and management systems to enable scalability
- Advancement of existing Infinity product suite development
- Ramping up of resources to support innovation, customer success, business development activities, and expansion into the US region



Announcement to ASX  
ASX Code: HTG

- Establishment of relationships with global Industry solutions and services providers and Industrial Wearable manufacturers
- Establishment of central facility

Phase 2 is focused on income diversity by transitioning the business model away from its current majority focus on energy and resources sectors towards a 50/50 balance with Infinity products and services by rapidly expanding commercial opportunities and developing elevated sustained levels of Annual Recurring Revenue (ARR).

Phase 3 of the plan will see the Company continue to transition the business model and have income producing operations in US, whilst establishing a presence in Europe and Asia. The Company will be seen as a trusted and reliable provider of quality services internationally and will seek to move into the consumer-based market, with development of key third-party relationships in this arena.

**The following sections outline the achievements made during the June 2021 quarter.**

### **CAPITAL RAISE**

Harvest is well funded to continue its Three-Phase Strategic Plan following a recent \$7.6 million equity raising via a share placement to institutional and sophisticated investors (Placement) (refer ASX announcement May 3, 2021).

The Placement was completed at an issue price of \$0.32 per share and 23,842,185 new fully paid ordinary shares were issued,

Net proceeds from the Placement are being used to support Harvest's aggressive growth strategy, in particular accelerating expansion into the U.S., planned software and product development initiatives, ramping up of resources to support innovation, customer base expansion and establishment of new global partner alliances to further increase market penetration, as well as ongoing working capital requirements.

### **ACQUISITION OF SaaS PRODUCT**

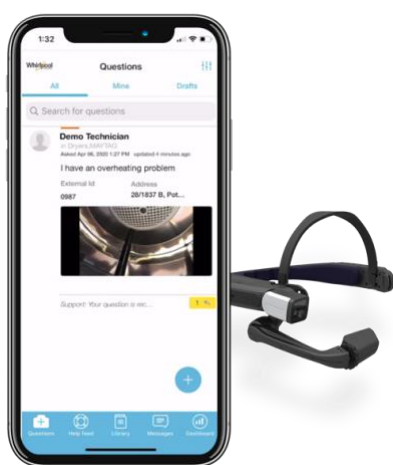
The Group executed a formal Stock Purchase Agreement (SPA) to acquire Silicon Valley-based software-as-a-service (SaaS) company SnapSupport Inc. on June 15, 2021 (SnapSupport) (Acquisition).

SnapSupport leadership, operations and technical personnel will, following completion, be integrated into Harvest, paving the way for the Company to continue its strategic objective of accelerating a SaaS-based business model and expanding access into the U.S. and other international growth markets with its ground-breaking technology.



Announcement to ASX  
ASX Code: HTG

SnapSupport focuses on increasing productivity for remote field workers via a mobile SaaS-based platform enabling hands-free inspections, real-time collaboration with experts, and viewing of performance data from connected equipment. Harvest shares this commitment to enhancing field productivity and does so for customers who operate equipment and manage personnel in some of the most challenging environments. Harvest's Network Optimised Livestreaming provides reliable, high-definition, real-time voice, video, and data securely streamed over ultra-low bandwidth from remote locations where connectivity is often limited or non-accessible.



SnapSupport has commercially viable solutions that are already proven, fit-for-purpose and can quickly harness the advantages of the Group's livestreaming capability. At the core of Harvest's proven Network Optimised Livestreaming technology is the ability to securely deliver high-definition, real-time voice, video, and data over ultra-low bandwidth from remote locations where connectivity is often congested or absent.

Harvest's opportunity to enhance communication for those working in remote environments is complemented by SnapSupport's SaaS-based mobile platform, enabling hands-free inspections, real-time collaboration with experts, and viewing of performance data from connected equipment.

SnapSupport currently supports large-scale global customers with over 900 active users and will provide the Group with a fast and cost-effective pathway to speed-up the global rollout of its SaaS business model. Demand for SnapSupport solutions continues to grow and expand into new market sectors with the recent execution of a contract with UK-based global medical devices company Spectrum Medical Ltd (Spectrum), involving the deployment of the SnapSupport application to 2,000 clinicians across multiple hospitals worldwide. Users of Spectrum devices will now be able to resolve questions faster with live mobile chat features enhanced with video and photo capabilities, alongside a real-time connection to product experts automatically assigned by the app based on geographic location, expertise, and availability. The Spectrum contract opens up the healthcare segment for SnapSupport, joining the ongoing focus on telecommunications, manufacturing, utility, and other industrial customers

Consideration for the acquisition was in the form of AU\$2,597,403 worth of fully paid ordinary HTG shares to be paid in two tranches (refer ASX announcement June 15, 2021).

### U.S. REGION

Following the completion of the Acquisition, the Group's U.S. entity initiated the integration of SnapSupport, Inc. which will provide the basis for the U.S. product team and regional revenue. The U.S. team has begun work on enhancing the SnapSupport platform as well as taking steps to integrate the Group's Infinity technology. Preliminary ecosystem discussions with select hardware partners, resellers, and customers are underway.



Announcement to ASX  
ASX Code: HTG

During the quarter, the focus has been on closing remaining actions related to the incorporation and setup of the U.S. subsidiary. The team has concentrated on regional recruitment activities and developing and implementing corporate processes. Resources have been engaged to support and implement processes to manage the operations, finance, commercial, legal, and product centric functions of the business. Recruitment for a local customer experience team is planned for the second half of 2021.

### **INNOVATION HUB – CENTRAL FACILITY**

At the commencement of April 2021 lease negotiations were finalised, and an agreement executed for a 7-year lease, with a 5-year option, for Harvest's purpose-designed innovation hub at Technology Park in Bentley, Western Australia.

Fit out of the premises commenced almost immediately, with Buildwell Group contracted to conduct the refurbishment. Practical completion is expected to take place in the last week of July, paving the way for a staggered move from the existing facilities to the new hub. It is expected that the Group will be centrally located at the Bentley premises by the end of August 2021.

This is an important milestone for the Group to build capacity. It is also a significant commitment to providing the team with an environment where they can freely collaborate and innovate.

### **PEOPLE AND SYSTEMS**

Since June quarter 2020, and in accordance with the Strategic Plan, the number of personnel across the Group has increased by 100%, with a 340% increase in software and hardware development personnel for R&D and embedded systems, and integration personnel for SnapSupport platform development.

Investment in competent and committed people remains fundamental to the success of the business as it moves towards being a scalable enterprise. During this quarter, the Group continued its recruitment drive for world class product and software developers and engineers to optimise and achieve the milestones of the Product Development Roadmap, as well as corporate support roles in human resources, commercial, marketing, and finance for the Australian and U.S. regions.

The current employment market remains highly competitive with demand outstripping supply for several positions especially in technology as a result of the COVID-19 pandemic.

The group is currently working with Curtin University to become a member of the Curtin Innovation Centre in order to provide opportunities for PHD and STEM students to be involved in various technology-based projects associated with the Product Development Roadmap.

The Group's new single-cloud Enterprise Resource Planning (ERP) solution, SAP By Design (SAP), went live on April 1, 2021. The ERP has redefined the functions of procurement, inventory, project management,



Announcement to ASX  
ASX Code: HTG

customer relationship management and finance within the business, providing a platform from which to scale the business in the future. It has enabled streamlining of end-to-end processes and the ability to quickly adapt to new opportunities. The business continues the transition from legacy processes to the new system and all personnel have undergone comprehensive training for their daily operations.

The next quarter will see the commencement of the development of governance around data security within the organisation with the implementation of ISO27001 compliance framework. This project will initiate once personnel and infrastructure are located within the new hub.

### **CUSTOMER EXPERIENCE**

Key to realising the transition to diverse income streams in Phase 2 of the Strategic Plan, the Customer Experience team has spent the quarter developing actionable integrated marketing and communications strategies to provide a framework to focus resources on identifying customer and partner targets, generating revenue and maintaining competitive advantage. These strategies provide for defining customer persona, identifying target markets, engaging with industry players and global providers, delivery of communications and use of marketing tools.

In May, Loud Whispers LLC., a global consulting firm specialising in strategic communications and change management, was retained by Harvest to provide public relations and communications content and programs to support the Group's marketing imperatives.

In the background, significant work is underway on the redevelopment of the Group website with the intent of providing a better user experience and driving increased awareness of Harvest products and technology. Current improvements include improved layout and navigation, latest news posts and news subscription service. The Group released its first digital newsletter focused on sharing insights into our unique vantage point on the evolving remote operations landscape, key developing trends, and backstories on team members leading our growth and innovation.

During the quarter, Harvest committed to participate in two regionally significant industry events in 2022. Beginning in January in Singapore, Harvest will be presenting at the Asia Pacific Embedded Technology Convention. Later in the year, Harvest will be an exhibitor and guest speaker at the U.S. Embedded Technology Convention, held in Las Vegas, Nevada, in June. The Embedded Technology Convention Series are the preeminent regional events where leaders in hardware, system software, tools, services, governing bodies, academia, OEMs/ODMs, manufacturers, resellers/distributors, solution providers and solution seekers gather to share their knowledge, expertise, and connect.

### **CUSTOMER GROWTH & GLOBAL RELATIONSHIPS**

Demonstrations of the new 8-channel Nodestream encoders and decoders were completed, with first two units installed on Fugro Australia Marine's (Fugro) new Uncrewed Surface Vessel (USV) "Maali". The USV has



Announcement to ASX  
ASX Code: HTG

successfully completed its first project conducting an inspection of a subsea pipeline for Woodside Energy near Dampier, off the northwest shelf of Western Australia. The 8-Channel encoder provided eight HD video streams back to a remote-control centre and more importantly is compatible with the Infinity RIS (Remote Inspection System) thus can be streamed to any of Fugro's remote centres fitted with the Harvest RIS systems.

In late May, Harvest undertook a demonstration of the 8-channel Nodestream system with the Department of Defence (DOD). The demonstration spanned three states, covering land, sea and air, involving the MV Sycamore in NSW, Unmanned Aerial Devices (UAV) in WA, and command and control located in ACT. The demonstration was a success resulting in the DOD becoming a trial customer supported by their defence commercial shipping contractor, Teekay Shipping Australia.

Early in the quarter, Harvest engaged with Speedcast, the largest remote communications provider in the world, with more satellite capacity than any other service provider combined across an extensive multi-technology terrestrial and offshore network. Speedcast has recently been evaluating Harvest's Network Optimised Livestreaming solution from its U.S. office, and subsequently showcasing the service to a number of energy operators. Harvest expects to gain further traction from the successful demonstrations, with negotiations now underway with Speedcast to enter into a global reseller agreement.

Satellite airtime has been a priority this quarter with ongoing trials for Inmarsat over Cobham's Aviator UAV 200 onboard Harvest and Omnidrone UAVs. Private and medical flights have also been of interest with the requirement for high-quality video and audio required from private corporate aircraft and the Royal Flying Doctor Service. Proof of concept will be scheduled within the latter half of 2021.

Harvest has also been accepted onto Inmarsat's Application Solution Providers programme (ASP) within the Enterprise Business Unit, demonstrating further collaboration with leading industry satellite operators, and building value around their BGAN and Land Express (LX) service. This will create further awareness of Harvest solutions with Inmarsat's customers and distribution partners globally.

Harvest has been working with Iristick's Australian distributor, Gass Group, in alignment with Pivotal Satellite and Rajant Industrial Wi-Fi, which, combined can provide a start-to-finish solution for customers needing wearable solutions in remote satellite locations, utilising cost effective ultra-low bandwidth with the Infinity Wearwolf™ application. Together this collaboration can provide all devices required to cover anything from a small factory to a manufacturing plant anywhere in the world.

Infinity products have also been a focus for remote areas in Australia in a development with Ecoquip Australia. Ecoquip provide zero carbon solar panel powered trailers for communication and lighting throughout Australia and are extremely interested in tackling any area where there is a requirement for communications or video streaming solution. The trailers have enough power and space to accommodate a range of custom solutions for camera and satellite systems to meet customer monitoring requirements in the most remote locations.





Announcement to ASX  
ASX Code: HTG

The AVR2 continues to prove itself as a stable product for the Oil and Gas market with many construction and inspection companies securing long term contracts for AVRLive streaming during the quarter. AVRLive technology offers a live video stream from as low as 64kbps, providing the required levels of clarity for managers, clients and inspectors to carry out their jobs without the need to be physically present on an offshore vessel or facility. In most cases, particularly in the current climate, clients are unable to get to a vessel or offshore location. The AVRLive streaming is not only cost saving but ensures project schedules are not disrupted or delayed.

Due to the high quality of streamed video over ultra-low bandwidth, it has become a normal requirement in many offices and customers are wanting additional features from their stream. Artificial Intelligence (AI) features such as alerts for personnel accessing exclusion zones or machine learning to get the best performance from their equipment is constantly requested. Harvest is working with several camera manufacturers to enable a variety of AI features compatible with the Infinity Nodestream encoder systems. Nodestream systems are manufactured with hardware enabling future proofing for upgrades with developing features as the technology is created.

#### **CHIEF TECHNOLOGY OFFICER - SOFTWARE**

On June 1, 2021, former National Security Agency (NSA) Red Team Operations Officer and Technology Executive, Patrick Neise, joined the leadership team at Harvest to oversee the technology development roadmap for the group.

Patrick's career path has been an impressive journey. He enlisted in the U.S. Navy after high school, then to the University of Texas, and completed two tours on nuclear submarines. In 2010, he shifted his career focus to the NSA as part of the Information Warfare Community and joined a small elite group of hackers called the 'Red Team', established specifically to protect government agencies from cyber threats.

Patrick turned to the technology sector on retirement from the Navy in 2014, conducting a variety of technology consulting roles. After a stint as a contractor for the Navy and security-related roles in private industry, he eventually became the Chief Information Security Officer (CISO) and Chief of Engineering at Realwear. Though connection with Harvest's U.S. regional president Andy Lowery, Patrick became intrigued by Harvest because of its unique connectivity technology and the potential for the technology to expand into other markets and industries.

As he looks to build the future of Harvest's technology, the key focus will be to create a technology vision for the group and acquire the right talent in an incredibly competitive market as the Company moves into the cloud-native space and starts developing solutions for specific vertical markets. Work has commenced on unifying software development environments and processes, defining and incorporate product and feature selection processes within the group and identifying and establishing level 1 and 2 support functions for group products.





Announcement to ASX  
ASX Code: HTG

## **INFINITY TECHNOLOGY – EMBEDDED SYSTEMS**

The second quarter saw increased interest from a broad range of industry and government sectors, ranging across communications, oil and gas, mining, primary industry support contractors, defence support, and first responders.

### **NODESTREAM ENTERPRISE**

Due to consistent industry demand for increased capability in a reduced hardware footprint, conceptual design kicked off during the quarter to deliver a class leading standardised enterprise grade solution. The system will deliver up to three times the capability of the current 4-channel systems at one-third of the size. Prototyping and function testing will be completed in Q3 CY2021, with launch slated for late Q4 CY2021.

### **REMOTE INSPECTION SYSTEM - UNMANNED SURFACE VESSEL**

As noted above, following successful trials and acceptance testing in Perth, Western Australia, March 2021. Fugro mobilised its Unmanned Surface Vessel (USV) to North-western Australia and completed subsea asset integrity inspection of Woodside Energy's near shore export pipelines. As far as can be determined this is first project of its type to be carried out remotely without survey personnel at/on site. Project personnel were located at the Remote Operations Centre in Gnangara, Perth, approximately 1500km south of the worksite.

The vessel was fitted with the latest revision of the Infinity RIS (Remote Inspection System) which enabled video streaming and synchronous data transaction to make the operation possible. Due to space constraints on the vessel the traditional form factor of the hardware was not practical, as such a revised solution was designed. The new solution offers the same performance at one-sixth of the size.

### **NODESTREAM DOWNLOADABLE APPLICATIONS**

Bringing the Nodestream point-to-point technology to a software platform has been a key strategic focus for the group. Nodestream downloadable applications will enable rapid deployment and onboarding of additional users into the Nodestream ecosystem without the need for additional hardware. Similarly, it will turn Android and iOS mobile devices into encoders, drastically broadening the user base and use cases.

Following exhaustive testing, the Windows version is at a production stage with Android and iOS applications nearing completion and targeted for deployment in Q3 CY2021. This is an exciting addition to the line-up and is highly anticipated by new and existing customers.

### **NODESTREAM WEB INTERFACE**

All hardware encoders and decoders will soon ship with a built-in web interface. This user interface will further simplify setup and configuration of hardware devices, will offer a common user experience across devices, and add further insights to product support.



Announcement to ASX  
ASX Code: HTG

## VESSEL OPERATIONS

Following the VOS Shine's (Shine) successful completion of the ROV support project for Santos' Ningaloo Vision in-field recommissioning, wholly owned subsidiary, Harvest Technology Pty Ltd (Harvest Technology) was contracted by Shearwater GeoServices Singapore Pte Ltd (Shearwater) to provide the Shine with crew to support seismic vessel "Geo Coral" during a 3D multi-sensor survey campaign located off the coast of Northwest Western Australia.

The 3D multi-sensor survey campaign comprised more than 3,200km<sup>2</sup>, employing the Geo Coral using her multi-sensor streamer system with a zero-offset configuration. The project ran for a total of 45 days, and then performed an additional support project for the Ningaloo Vision out of Dampier.

The Shine has commenced a contract with Carnarvon Petroleum Timor Unipessoal Lda, (Carnarvon) for the provision of offshore site survey services to perform a geotechnical and geophysical scope on their Buffalo-10 field in Timor-Leste waters. Works commenced on the project in July with completion expected mid-late August 2021.

## APPENDIX 4C

Please refer to the following Appendix 4C Filing for further details on the results for the quarter.

### ITEM 6.1

The following table provides a breakdown of the amount disclosed in Item 6.1 of the Appendix 4C for the June 2021 quarter.

Category	Amount AUD
Directors' fees	\$44,000
Managing Director – salary and other benefits	\$82,000

<End>

*This announcement was authorised for release by Paul Guilfoyle, Group Managing Director.*

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Announcement to ASX  
ASX Code: HTG

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**About Harvest Technology Group**

Harvest Technology Group Limited (ASX: HTG) is a global leader in network optimised remote operations that deliver real-time remote control, communication, automation and monitoring capabilities for the energy, resources, and renewables sectors. Based in Perth, Australia, the group of companies is revolutionising remote field services with ultra-low bandwidth Network Optimised Livestreaming solutions that enable customers to stay connected to operations and personnel anywhere in the world while utilising just a fraction of existing bandwidth resources.

To learn more please visit: [www.harvest.technology](http://www.harvest.technology)

**About SnapSupport Inc.**

SnapSupport Inc. is a Silicon Valley-based software company delivering mobile solutions focused on helping resolve equipment failures and issues faster with real-time visual and AR-enabled support for remote field teams and equipment users.

To learn more please visit: [www.snapsupport.io](http://www.snapsupport.io)

If you would like to receive HTG newsletter updates, visit the Investor Page to subscribe:  
[www.harvest.technology/investors-1](http://www.harvest.technology/investors-1)

## Appendix 4C

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

**Name of entity**

Harvest Technology Group Limited

**ABN**

77 149 970 445

**Quarter ended ("current quarter")**

30 June 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	757	3,875
1.2 Payments for		
(a) research and development	(457)	(1,524)
(b) product manufacturing and operating costs	(1,309)	(4,852)
(c) advertising and marketing	(248)	(356)
(d) leased assets	(13)	(65)
(e) staff costs	(858)	(3,075)
(f) administration and corporate costs	(611)	(2,270)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	19
1.5 Interest and other costs of finance paid	(89)	(460)
1.6 Income taxes paid	-	(36)
1.7 Government grants and tax incentives	-	200
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash used in operating activities</b>	<b>(2,825)</b>	<b>(8,544)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	(16)	(16)
	(b) businesses	-	(750)
	(c) property, plant and equipment	(143)	(303)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	(218)	(251)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	15
	(d) investments	-	23
	(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)	-	-
<b>2.6</b>	<b>Net cash used in investing activities</b>	<b>(377)</b>	<b>(1,282)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,629	7,629
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	1,558
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(585)	(1,175)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(617)	(2,736)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from financing activities</b>	<b>6,427</b>	<b>5,277</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,533	11,307
4.2	Net cash used in operating activities (item 1.9 above)	(2,825)	(8,544)
4.3	Net cash used in investing activities (item 2.6 above)	(377)	(1,282)
4.4	Net cash from financing activities (item 3.10 above)	6,427	5,277
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>6,758</b>	<b>6,758</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	6,758	3,533
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>6,758</b>	<b>3,533</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	126
6.2	Aggregate amount 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>		

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
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.		
7.3 – Convertible note funds received in November 2019 as approved by shareholders at the AGM. Interest accrues at 9% p.a. and is paid quarterly.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash used in operating activities (item 1.9)	(2,825)
8.2 Cash and cash equivalents at quarter end (item 4.6)	6,758
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	6,758
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	2.39
<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:	
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:	
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:	
<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: July 27, 2021

Authorised by: Jeff Sengelman, Chairman of 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.