

## Appendix 4C

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

**Name of entity**

A1 INVESTMENTS &amp; RESOURCES LIMITED

**ABN**

44 109 330 949

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

31 December 2020

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (.....months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	115	173
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(53)	(53)
(c) advertising and marketing	-	-
(d) leased assets	(8)	(17)
(e) staff costs	(92)	(171)
(f) administration and corporate costs	(208)	(396)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
1.5 Interest and other costs of finance paid	(26)	(27)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(272)</b>	<b>(489)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(2)	(14)
(d) investments	-	-
(e) intellectual property	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (.....months) \$A'000</b>
	(f) other non-current assets	-	-
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	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(2)</b>	<b>(14)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	200	200
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	-	-
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)		
	Deposit for share issues	-	-
	Subscription in advance	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>200</b>	<b>200</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	2,004	2,235
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(272)	(489)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (.....months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	(14)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	200	200
4.5	Effect of movement in exchange rates on cash held	(2)	(4)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,928</b>	<b>1,928</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	289	96
5.2	Call deposits	1,439	1,908
5.3	Bank overdrafts	-	-
5.4	Other (uncleared deposit)	200	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,928</b>	<b>2,004</b>

**6. Payments to related parties of the entity and their associates**

- |     |   | <b>Current quarter<br/>\$A'000</b> |
|-----|---|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | (81)                               |
| 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

Note to 6.1: Salaried to executive directors (56) & Interest payment to Director related company (25)

## 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.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	-	-
7.2	-	-
7.3	-	-
7.4	-	-

### 7.5 Unused financing facilities available at quarter end

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- 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)	(272)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	1,928
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	1,928
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	7.1

- 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?

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?

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

## 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: 20 January 2021

Peter J Ashcroft

Director

Authorised by: The Board of A1 Investments & Resources Limited....

## 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.

## ASX ANNOUNCEMENT

### Quarterly Activity Statement to 31 December 2020

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The Company advises its operational activities for the quarter to 31 December 2020 as follows;

#### Sea Cucumber Project

The travel bans to Western Australia which commenced in late March have significantly restricted our ability to manage our businesses in WA and for those businesses to complete all their respective requirements to operate.

The dispute with our dedicated contractor at Shark Bay remains unresolved, despite our best efforts. At all times we have sought to encourage our partner to perform but its current position leaves little opportunity to resolve an on-going solution, although we still believe this would be in the best interests of all parties and the local community in Shark Bay. The Company has strengthened its relationships with the local Aboriginal community leaders and we now await confirmation of the local community obtaining further rights to harvest sea cucumbers in WA. Throughout the past 6 months we have supported local Aboriginal persons in their endeavours to better understand the sea cucumber resources in Shark Bay and subject to the weather the Company has continued to support this process through summer.

Throughout 2020 the Company has continued to investigate and settle its manufacturing contractor in Japan, maintain and expand its sales leads throughout Japan, the PRC and other parts of Asia.

The Company is also sourcing raw dried sea cucumber from other suppliers to meet its demand. A contract to supply up to 27-28 tonne pa of product to our Japanese subsidiary has been agreed and the first deliveries are due in January 2021.

#### Blue Ocean Japan

The Company notes that its wholly owned subsidiary in Japan, Blue Ocean Japan commenced active trading under the supervision of the Company's Managing Director, Mr Nakamura who is in Japan. The Company received revenue of \$65,000 in the period to 31 Dec 2020.

#### Sandalwood Project

The Company has by mutual agreement terminated the heads of agreement for establishment of Genesis Sandalwood. The Company is examining other parties and arrangements to commence a sandalwood business. The Company has an initial commitment of \$500,000 to the project over the next 12 months. All funds will be provided by the Company from existing funds.

#### New Funding

The Company received further \$200,000 and shares issued.

#### Bundybunna

The coronavirus has delayed the finalisation of the termination of the winding up of Bundaybunna Aboriginal Corporation Limited, and this process must be completed before the lease can be signed. I expect this process to be completed within 3 months.

#### Consolidation

1 for 2 consolidation of the Company's shares took place in mid December 2020 in the manner as set out in the Notice for the 2020 AGM.

There have been no significant changes to the Company's operations since the annual general meeting of the Company on 26 November 2020 and I direct shareholders and investors to the Chairman's address released to the Exchange on the date of the meeting.

The Company does not need to remind its shareholders of the hardships of 2020. The coronavirus has had a significant impact on the Company's operations over the past 3 months and this continues to be the position. The continuation of a closed border with Western Australia has made the management of the Western Australian operations of the Company difficult.

The Company does not expect any substantial change to these issues over the coming months, despite a vaccine for COVID 19 becoming available.



Peter J Ashcroft

Director

Date: Wednesday 20 January 2020

Authorised by: .The Board of A1 Investments & Resources Limited

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