



ASX Announcement

## ROCKETDNA DECEMBER Q4 FY2023 QUARTERLY REPORT

### Operating Cash Flow Improvement and Business Repositioning Completed in FY23; Poised for Growth in FY24

#### HIGHLIGHTS

- **Revenue from continuing operations** \$1.640m in the December quarter, Q4 FY2023, was up 6% on Q3 FY2023 and up 2% on Q4 FY2022; FY2023 annual Revenue was up 7% on FY2022 (note: Unaudited, December financial year end)
- **Cash receipts from customers** \$1.658m in Q4 FY2023, down 8% on Q3 FY2023 and down 2% on Q4 FY2022; FY2023 annual Cash receipts were up 10% on FY2022
- **Net cash used in operating activities**; was \$335k in Q4 FY2023 compared to \$334k in Q3 FY2023; FY2023 annual Net cash used improved 38% on FY2022 at \$968k on the back of growing cash receipts and good cost management throughout the financial year
- **Annual Recurring Revenue (ARR)** was \$2.840m at the end of the December quarter, up 0.7% on Q3 FY2023 and up 18% on Q4 FY2022
- **Capital raise:** \$1.065m was raised in early December to fund the autonomous drone business from institutional and sophisticated investors including a well-regarded family office
- **Cash balance** of \$2.317m at 31 December 2023

**29 January 2024, RocketDNA Ltd (ASX: RKT)**, a global drones-as-a-service provider, is pleased to provide the business update for the quarter ending 31 December 2023 (Q4 FY2023) and FY2023, along with its Appendix 4C quarterly cash flow report.

**RocketDNA CEO Christopher Clark said:** "December marks the financial year-end for RocketDNA and we are proud of the achievements we have delivered as an executive team and Board for the Company. While our Australian legacy operations showed headwinds in late 2023, we were able to counter-act this through improved performance from our African operations, as well as bringing new AI and automation products to market.

Calendar Q4 2023 also represented a strong growth in ARR compared to the prior year, supported by new and existing customers committing to longer-term contracts. These commitments, combined with our cost management strategies, has resulted in an overall improvement in Net Operating Cash Flow, highlighting our commitment to cash flow breakeven.

The revised integrated business model is displaying green shoots, with a growing pipeline of product deployments set to begin in calendar Q1 2024 with well-known mining and industrial customers. We will support these engagements with practical AI solutions to automate existing workflows as well as to help identify safety & environmental hazards.



These deployments build on our key capabilities and competitive advantages, including our recent Civil Aviation Safety Authority approvals, combining proprietary technical knowledge & industry experience in building highly scalable and robust products for enterprise customers.

Operating cost inflation is also working in our favour as mining and industrial engagements have indicated that these companies are looking for effective cost reduction solutions. We also see a strong emergence of process work-flow integration and automation, an area in which we have been steadily building expertise.

Business development initiatives with customers look very promising and we have commitments for the first batch of 5 autonomous xBot® units to be delivered and deployed to tier 1 and 2 customers over the current quarter which will initially be used to conduct validation, data testing and safety proofing exercise, ahead of commercial terms being set.

We are also grateful to the new shareholders who have joined us on our mission to democratise drone data, through automated capture & insights, via our December funding round and look forward to working together towards achieving a healthy market share in this growing segment."

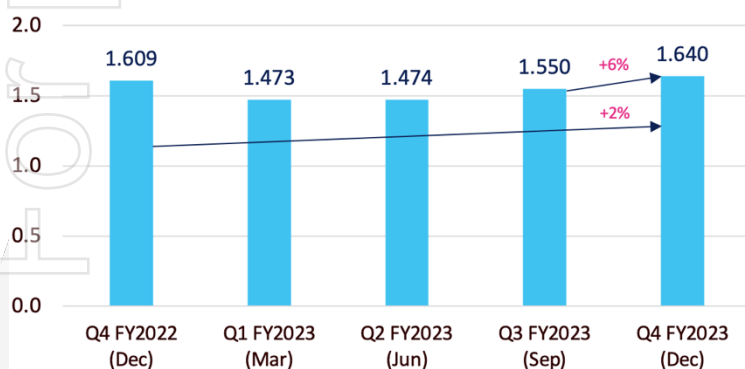
## 1. FINANCIAL OVERVIEW

**Revenue from continuing operations** (unaudited) for the December quarter Q4 FY2023 was \$1.640m, up 6% on Q3 FY2023 and up 2% on Q4 FY2022. Unaudited revenue in FY2023 was \$6.137m, up 7% on FY2022.

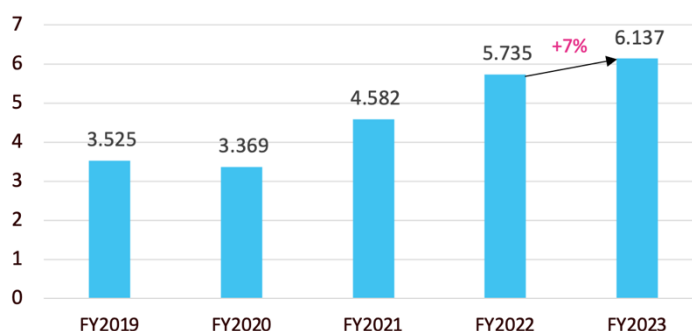
**Contracted recurring revenue** achieved in the December quarter was \$0.757m, which accounted for 46% of total revenue. Contracted revenue was \$0.748m (48% of total) in the prior quarter. One-off revenue was also stronger in the quarter, pushing down the contribution of contract revenue to total revenue.

Growing the ARR component of overall revenue is a focus of the Company when tendering its services. Non-ARR revenue is an important (indicative) metric to the Company's prospective revenue pipeline, leading to potential new contract wins, as customers generally conduct ad-hoc projects or proof-of-concept trials before signing on for long-term agreements, noting this revenue can be quite variable from quarter to quarter.

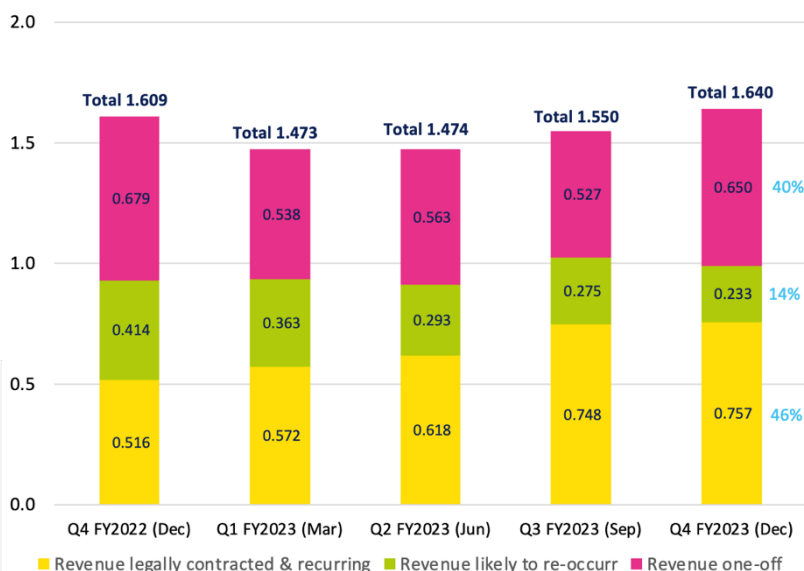
**Revenue from Continuing Operations - Quarterly (\$m)**



**Revenue from Continuing Operations - Annual (\$m)**



### Revenue from Continuing Operations by Type (\$m)



#### Revenue definitions by type:

**(A) Revenue legally contracted and recurring:** revenue from legal contracts with minimum original terms of 12 months, subject to normal termination provisions per each contract. The TCV and ARR measures set out in the section below contain only this type of contract.

**(B) Revenue likely to re-occur:** revenue which management have a reasonable expectation will reoccur in the future either because it has been historically demonstrated to re-occur or because we hold rolling short term purchase orders or legal contracts which are less than 12 months in original length.

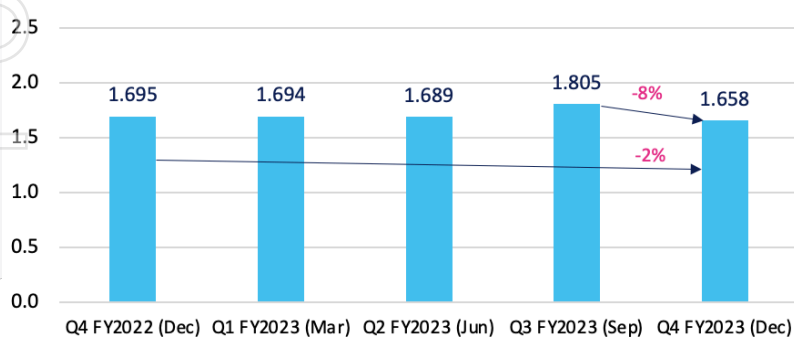
**(C) Revenue one-off:** revenue which does not meet the above definitions (these are typically one-off short projects)

**Cash receipts from customers** for the December quarter totalled \$1.658m, down 8% on Q3 FY2023 and down 2% on Q4 FY2022. The revenue increases for the quarter cash receipts in FY2023 was up 10% on FY2022.

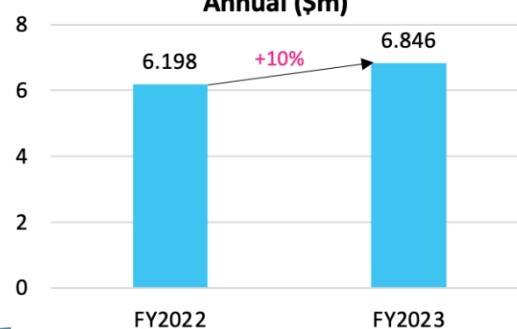
Percentages to the right-hand side of the above graph represent revenue weightings by type.

Note: differences between quarterly cash receipts and revenue may occur due to the 1) cash collection cycle and 2) revenue recognition on contracts and projects including anniversary dates of when contracts started.

### Cash Receipts from Customers (\$m)

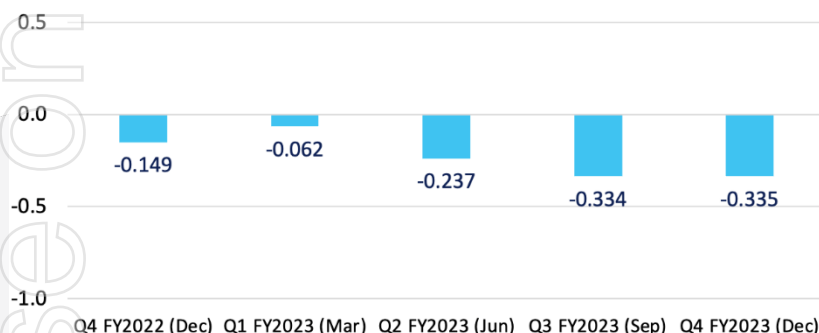


### Cash Receipts from Customers - Annual (\$m)

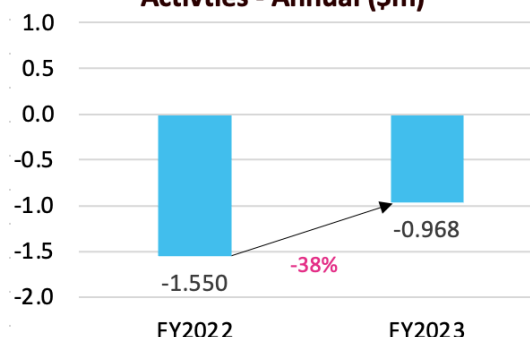


**Net cash used in operating activities** was \$335k in Q4 FY2023 compared to \$334k in Q3 FY2023 and \$149k in Q4 FY2022. Net cash used in FY2023 improved 38% on FY2022 at \$968k.

**Net Cash From Operating Activities - Quarterly (\$m)**



**Net Cash From Operating Activities - Annual (\$m)**



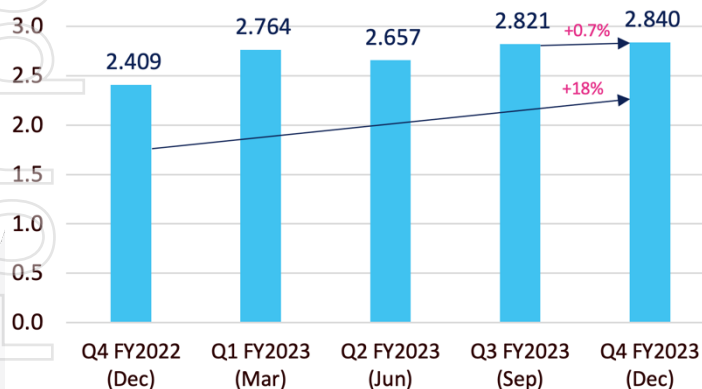
## TCV and ARR

**Annual Recurring Revenue (ARR)** is \$2.840m at the end of the Q4 FY2023, up 0.7% on Q3 FY2023 and up 18% on Q4 FY2022. The annualised value of contracts signed in the quarter exceeded the value of contracts coming to an end, which was partially offset by adverse exchange rate movements.

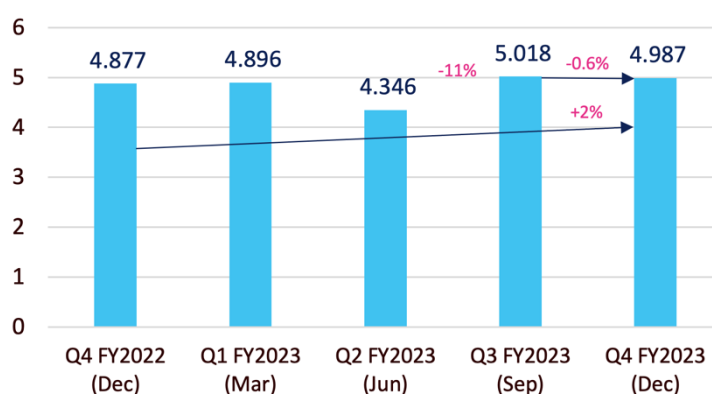
**Total contract value (TCV)** is \$4.987m at the end of the December quarter. The TCV of contracts signed exceeded the quarter's depletion, however adverse exchange rate movements drove the overall change slightly negative at -0.6%.

**Note:** TCV is the total value of all remaining contracts (only contracts that had a minimum of 12 months original duration are included) and is net of monthly contract depletion (i.e. the revenue remaining to be collected until end of contract life). Key contracts can be found in recent investor presentations. ARR and TCV may be impacted by exchange rate fluctuations.

**Annual Recurring Revenue (ARR) (\$m)**



**Total Contract Value (TCV) (\$m)**





### Projects update (not individually material)

**Exxaro – South Africa:** A contract renewal was signed for survey work and broadened to include additional services. The contract includes the Strayos software solution.

**Japan Tobacco International (JTI) - Zambia:** RKT is providing services on a rolling purchase order basis.

**SSG Security – South Africa:** RKT is undertaking a paid 'Proof of Concept' providing drone automation services (xBot®) in a mine security setting.

**United Manganese of Kalahari – South Africa:** RKT is providing aerial survey services on a contract basis.

**Red 5 – Western Australia:** RKT's xBot® solution is currently deployed to Red 5 on a non-contracted basis, with ongoing monthly purchase order billings. RKT has a pre-existing multi-year contract with Red 5 and is in advanced discussions to offer the xBot solution under this contract.

As set out in the revenue definitions, purchase orders for project work are not included in ARR or TCV measures unless a more detailed legal contract is also signed.

### Key pipeline activities

A kick-off trial (pilot) is expected to be launched in the Pilbara with an Australian tier-1 miner to showcase RKT's autonomous drone capabilities, as well as conduct data validation and product integration testing in conjunction with the customer's current digital geospatial workflow.

These market development activities will not only assist in building trust with potential clients but will also help in facilitating negotiations towards formal contract terms.

## 3. CORPORATE

**Capital raise:** \$1.065m was raised in early December to fund the autonomous drone business from institutional and sophisticated investors including a well-regarded family office. See ASX announcement 4 December 2023.

### Upcoming events

**Coffee Microcaps Investment Conference** (details and registration are available on the Coffee Microcaps website)

- Melbourne, 12 March 2024 at the State Library of Victoria, Wheeler Centre
- Sydney, 14 March 2024 at the Metcalf Auditorium (State Library of NSW)

## 4. APPENDIX 4C

The cash balance at 31 December 2023 was \$2.317m. The total operating payments per section 1.2 of the attached 4C were \$2.004m.

As noted in the September Quarter 3 FY2023 report, cash settlement of the sale and leaseback





arrangements entered into in quarter 3 were concluded in this quarter amounting to \$228k as shown within item 3.5 of the attached Appendix 4C.

As per item 6.1 of the attached Appendix 4C, payments to related parties and their associates of \$152k comprised of \$63k to Chris Clark for director fees, with \$18k to a related party, \$57k to Paul Williamson for CFO services, and \$14k to David Morton for director fees.

This announcement has been authorised for release by the Board of RocketDNA Ltd.

-ENDS-

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**About RocketDNA**

**RocketDNA Ltd (ASX: RKT)**, formerly Delta Drone International Limited, is a ASX listed is a multi-national drone-based data service and technology solutions provider for the mining, agricultural and engineering industries.

**Services** are aerial surveying and mapping, security and surveillance, and blast monitoring and fragment analysis through a fully-outsourced service with AI and fast data turnaround that allows enterprise customers to focus on operations on the ground while RocketDNA takes care of everything in the air.

**Revenues** are generated through multi-year recurring revenue contracts and short projects which also have the potential to be recurring. Key customer contracts include with tier 1 and tier 2 miners, South32, Newmont Mining, Red 5 and Seriti Coal.

RocketDNA's operations are focused on Australia and Africa with regional offices in Perth, Johannesburg & Accra.

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## Appendix 4C

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

**Name of entity**

ROCKETDNA LIMITED

**ABN**

17 618 678 701

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

31 December 2023

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(12 months)<br/>\$A'000</b> |
|---|------------------------------------|---|
| <b>1. Cash flows from operating activities</b>            |                                    |   |
| 1.1 Receipts from customers                               | 1,658                              | 6,846   |
| 1.2 Payments for  |                                    |   |
| (a) research and development                              | -                                  | -   |
| (b) product manufacturing and operating costs             | (376)                              | (1,680)   |
| (c) advertising and marketing                             | (84)                               | (319)   |
| (d) leased assets   | (36)                               | (146)   |
| (e) staff costs   | (836)                              | (3,016)   |
| (f) administration and corporate costs                    | (672)                              | (2,713)   |
| 1.3 Dividends received (see note 3)                       | -                                  | -   |
| 1.4 Interest received                                     | 7                                  | 35  |
| 1.5 Interest and other costs of finance paid              | -                                  | -   |
| 1.6 Income taxes (paid)/received                          | (2)                                | -   |
| 1.7 Government grants and tax incentives                  | -                                  | -   |
| 1.8 Other (provide details if material)                   | 6                                  | 25  |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(335)</b>                       | <b>(968)</b>                                    |

|            |   |              |             |
|------------|---|--------------|-------------|
| <b>2.</b>  | <b>Cash flows from investing activities</b>           |              |             |
| 2.1        | Payments to acquire or for:                           |              |             |
|            | (a) entities  | -            | -           |
|            | (b) businesses  | -            | -           |
|            | (c) property, plant and equipment                     | (197)        | (685)       |
|            | (d) investments                                       | -            | -           |
|            | (e) intellectual property                             | -            | -           |
|            | (f) other non-current assets                          | (69)         | (231)       |
| 2.2        | Proceeds from disposal of:                            |              |             |
|            | (a) entities  | -            | -           |
|            | (b) businesses  | -            | 788         |
|            | (c) property, plant and equipment                     | -            | 96          |
|            | (d) investments                                       | -            | -           |
|            | (e) intellectual property                             | -            | -           |
|            | (f) other non-current assets                          | -            | -           |
| 2.3        | Cash flows from loans to other entities               | (3)          | (3)         |
| 2.4        | Dividends received (see note 3)                       | -            | -           |
| 2.5        | Other (equipment deposits)                            | (3)          | (23)        |
| <b>2.6</b> | <b>Net cash from / (used in) investing activities</b> | <b>(272)</b> | <b>(58)</b> |

|             |   |              |              |
|-------------|---|--------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |              |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | 1,065        | 1,065        |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -            | -            |
| 3.3         | Proceeds from exercise of options   | -            | 17           |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (82)         | (85)         |
| 3.5         | Proceeds from borrowings  | 268          | 308          |
| 3.6         | Repayment of borrowings   | (52)         | (182)        |
| 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 / (used in) financing activities</b>                                   | <b>1,199</b> | <b>1,123</b> |



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

|            |  |              |              |
|------------|--|--------------|--------------|
| <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                             | 1,745        | 2,254        |
| 4.2        | Net cash from / (used in) operating activities (item 1.9 above)              | (335)        | (968)        |
| 4.3        | Net cash from / (used in) investing activities (item 2.6 above)              | (272)        | (58)         |
| 4.4        | Net cash from / (used in) financing activities (item 3.10 above)             | 1,199        | 1,123        |
| 4.5        | Effect of movement in exchange rates on cash held                            | (20)         | (34)         |
| <b>4.6</b> | <b>Cash and cash equivalents at end of period</b>                            | <b>2,317</b> | <b>2,317</b> |

|            |   |                                    |                                     |
|------------|---|------------------------------------|-------------------------------------|
| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>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<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
| 5.1        | Bank balances   | 2,311                              | 1,673                               |
| 5.2        | Call deposits   | 6                                  | 72                                  |
| 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>2,317</b>                       | <b>1,745</b>                        |

|           |   |                                    |
|-----------|---|------------------------------------|
| <b>6.</b> | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
| 6.1       | Aggregate amount of payments to related parties and their associates included in item 1 | 152                                |
| 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.*

| <b>7.</b> | <b>Financing facilities</b><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i><br><i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>  | <b>Total facility<br/>amount at quarter<br/>end<br/>\$A'000</b> | <b>Amount drawn<br/>at quarter end<br/>\$A'000</b> |                             |             |                     |                  |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
|-----------|---|---|--|-----------------------------|-------------|---------------------|------------------|---------------|----------|---------------------|------------------|-----|------------------|----------------|----|------|-----------|-----|-----|-----|--------------|---------------------------------|------------|------|-----------|----|----|-----|---------------------------|-----|------|------------|-----------|----|----|-----|----------------|----------------|--------------|-----------------------------|---------|-----|-----|-----|---------------|---------------------------|--------|-----------|---------|----|----|-----|-----------------|------------|--------|-----------|---------|----|----|-----|--------------------|------------|--------|-----------------------|---------|-----|-----|-----|--------------------|--------|------------|-----------------------|---------|----|----|
| 7.1       | Loan facilities   | 200   | 200  |                             |             |                     |                  |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.2       | Credit standby arrangements   | 28  | 10   |                             |             |                     |                  |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.3       | Other (see below)   | 533   | 533  |                             |             |                     |                  |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.4       | <b>Total financing facilities</b>   | 761   | 743  |                             |             |                     |                  |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.5       | <b>Unused financing facilities available at quarter end</b>   |   | 18   |                             |             |                     |                  |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 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.   |   |  |                             |             |                     |                  |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
|           | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Item</th> <th>Description</th> <th>Lender</th> <th>Interest Rate</th> <th>Maturity Date</th> <th>Security</th> <th>Facility<br/>\$A'000</th> <th>Drawn<br/>\$A'000</th> </tr> </thead> <tbody> <tr> <td>7.1</td> <td>Shareholder loan</td> <td>Entech Pty Ltd</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">none</td> <td style="text-align: center;">Unsecured</td> <td style="text-align: center;">200</td> <td style="text-align: center;">200</td> </tr> <tr> <td>7.2</td> <td>Credit cards</td> <td>Sasfin/Nedbank/<br/>Commonwealth</td> <td style="text-align: center;">11% to 22%</td> <td style="text-align: center;">none</td> <td style="text-align: center;">Unsecured</td> <td style="text-align: center;">28</td> <td style="text-align: center;">10</td> </tr> <tr> <td>7.3</td> <td>Insurance Premium Funding</td> <td>QPR</td> <td style="text-align: center;">4.1%</td> <td style="text-align: center;">30/11/2024</td> <td style="text-align: center;">Unsecured</td> <td style="text-align: center;">98</td> <td style="text-align: center;">98</td> </tr> <tr> <td>7.3</td> <td>Vehicle Leases</td> <td>Toyota Finance</td> <td style="text-align: center;">2.9% to 6.2%</td> <td style="text-align: center;">9/11/25, 5/5/26,<br/>22/5/28</td> <td style="text-align: center;">Secured</td> <td style="text-align: center;">150</td> <td style="text-align: center;">150</td> </tr> <tr> <td>7.3</td> <td>Vehicle Lease</td> <td>Toyota Financial Services</td> <td style="text-align: center;">12.25%</td> <td style="text-align: center;">1/08/2028</td> <td style="text-align: center;">Secured</td> <td style="text-align: center;">55</td> <td style="text-align: center;">55</td> </tr> <tr> <td>7.3</td> <td>Equipment Lease</td> <td>GC Leasing</td> <td style="text-align: center;">10.15%</td> <td style="text-align: center;">1/04/2026</td> <td style="text-align: center;">Secured</td> <td style="text-align: center;">18</td> <td style="text-align: center;">18</td> </tr> <tr> <td>7.3</td> <td>Sale and Leaseback</td> <td>GC Leasing</td> <td style="text-align: center;">12.30%</td> <td style="text-align: center;">36mths from inception</td> <td style="text-align: center;">Secured</td> <td style="text-align: center;">116</td> <td style="text-align: center;">116</td> </tr> <tr> <td>7.3</td> <td>Sale and Leaseback</td> <td>Sunlyn</td> <td style="text-align: center;">prime+3.5%</td> <td style="text-align: center;">36mths from inception</td> <td style="text-align: center;">Secured</td> <td style="text-align: center;">96</td> <td style="text-align: center;">96</td> </tr> </tbody> </table> |   |  | Item                        | Description | Lender              | Interest Rate    | Maturity Date | Security | Facility<br>\$A'000 | Drawn<br>\$A'000 | 7.1 | Shareholder loan | Entech Pty Ltd | 0% | none | Unsecured | 200 | 200 | 7.2 | Credit cards | Sasfin/Nedbank/<br>Commonwealth | 11% to 22% | none | Unsecured | 28 | 10 | 7.3 | Insurance Premium Funding | QPR | 4.1% | 30/11/2024 | Unsecured | 98 | 98 | 7.3 | Vehicle Leases | Toyota Finance | 2.9% to 6.2% | 9/11/25, 5/5/26,<br>22/5/28 | Secured | 150 | 150 | 7.3 | Vehicle Lease | Toyota Financial Services | 12.25% | 1/08/2028 | Secured | 55 | 55 | 7.3 | Equipment Lease | GC Leasing | 10.15% | 1/04/2026 | Secured | 18 | 18 | 7.3 | Sale and Leaseback | GC Leasing | 12.30% | 36mths from inception | Secured | 116 | 116 | 7.3 | Sale and Leaseback | Sunlyn | prime+3.5% | 36mths from inception | Secured | 96 | 96 |
| Item      | Description   | Lender  | Interest Rate                                      | Maturity Date               | Security    | Facility<br>\$A'000 | Drawn<br>\$A'000 |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.1       | Shareholder loan  | Entech Pty Ltd  | 0%   | none                        | Unsecured   | 200                 | 200              |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.2       | Credit cards  | Sasfin/Nedbank/<br>Commonwealth                                 | 11% to 22%   | none                        | Unsecured   | 28                  | 10               |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.3       | Insurance Premium Funding   | QPR   | 4.1%   | 30/11/2024                  | Unsecured   | 98                  | 98               |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.3       | Vehicle Leases  | Toyota Finance  | 2.9% to 6.2%                                       | 9/11/25, 5/5/26,<br>22/5/28 | Secured     | 150                 | 150              |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.3       | Vehicle Lease   | Toyota Financial Services                                       | 12.25%   | 1/08/2028                   | Secured     | 55                  | 55               |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.3       | Equipment Lease   | GC Leasing  | 10.15%   | 1/04/2026                   | Secured     | 18                  | 18               |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.3       | Sale and Leaseback  | GC Leasing  | 12.30%   | 36mths from inception       | Secured     | 116                 | 116              |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |
| 7.3       | Sale and Leaseback  | Sunlyn  | prime+3.5%   | 36mths from inception       | Secured     | 96                  | 96               |               |          |                     |                  |     |                  |                |    |      |           |     |     |     |              |                                 |            |      |           |    |    |     |                           |     |      |            |           |    |    |     |                |                |              |                             |         |     |     |     |               |                           |        |           |         |    |    |     |                 |            |        |           |         |    |    |     |                    |            |        |                       |         |     |     |     |                    |        |            |                       |         |    |    |

|           |  |                |
|-----------|--|----------------|
| <b>8.</b> | <b>Estimated cash available for future operating activities</b>  | <b>\$A'000</b> |
| 8.1       | Net cash from / (used in) operating activities (item 1.9)  | (335)          |
| 8.2       | Cash and cash equivalents at quarter end (item 4.6)  | 2,317          |
| 8.3       | Unused finance facilities available at quarter end (item 7.5)  | 18             |
| 8.4       | Total available funding (item 8.2 + item 8.3)  | 2,335          |
| 8.5       | <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  | 6.97           |
|           | <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?  |                |
|           | 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?

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?

N/A

*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.*

## 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: 29 January 2024

Authorised by: .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.