

**ASX Announcement**  
**29 April 2022**

**Q1 FY22 QUARTERLY ACTIVITIES REPORT  
AND APPENDIX 4C**

***Elixinol Wellness remains in strong funding position despite seasonal & Omicron softness; Continues with strategic review to maximise shareholder value***

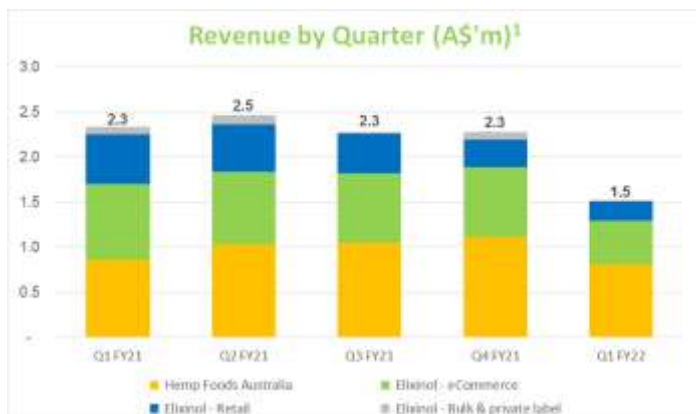
**Key Highlights**

- Q1 FY22 revenue of \$1.5m<sup>1</sup>, a decline from the prior quarter (Q4 FY21: \$2.3m), reflecting post-Christmas seasonal softness, compounded by continued US CBD industry headwinds, inflationary pressures and Omicron impacts.
- Strong line up of innovative new products expected to drive future revenue growth.
- Elixinol products named on long awaited UK FSA novel foods list allowing Elixinol products to continue to be sold in the UK.
- Hemp Foods Australia receives preliminary approval from the Therapeutic Goods Administration (TGA) for exclusive use of Hemp Seed Oil as a permissible ingredient for Listed Medicines.
- Exclusive license agreement renewed with Elixinol Japan; Elixinol Malaysia appointed as exclusive distributor; Canadian trademark successfully registered for ELIXINOL.
- Changes to Board and Executive team announced to drive growth initiatives:
  - Mr Dave Fenlon as Non-Executive Director, current CEO of The Platform Alliance Group, previously Group CEO and MD of BWX Ltd (ASX: BWX), and MD for ANZ at Blackmores Limited (ASX: BKL);
  - Mr Oliver Horn, former Global CEO, retained as Non-Executive Director; Mr Ron Dufficy as Interim Global CEO; Ms Jo Lorenz as Global CFO.
- Operating cash used during Q1 FY22, excluding non-recurring items, was \$3.3m, a slight increase on the prior quarter (Q4 FY21: \$3.0m) due to reduced receipts and additional inventory safety stock purchased to support new product releases.
- Preliminary results of strategic review announced, yielding significant annualized operating cost savings of \$3.2m, to be realised commencing Q2 FY22; incremental to \$1.0m annual savings from US 3PL transition completed end of Q1 FY22.
- Strategic review ongoing to maximise shareholder value, including consideration of merger, sale or other options for the Company as a whole or its business units.
- Strong funding position ending Q1 FY22 with funding of \$10.8m<sup>2</sup> and reduced capex due to simplified and capital light business model.

<sup>1</sup> All dollar amounts are in AUD unless otherwise stated; Average AUD/USD for Q1 FY22 = 0.7240; FY22 financials are unaudited.

<sup>2</sup> Includes \$9.2m cash on hand plus \$1.6m expected to be received from one-off US COVID-19 relief measures (\$1.3m from ERC program plus \$0.5m refund of taxes paid in prior financial years).

Elixinol Wellness Limited (**Elixinol Wellness, EXL** or the **Company**) (**ASX:EXL**) a global leader in the hemp industry, innovating, marketing and selling hemp derived nutraceutical, food and topical products, releases its Quarterly Activities Report and Appendix 4C cash flow report for the quarter ended 31 March 2022 (**Q1 FY22**).



Interim Global Chief Executive Officer, Ron Dufficy, commented: “It was a busy March quarter for the Elixinol Wellness team as we continued to make progress with the previously announced strategic review. We implemented substantial additional cost reductions which will make the Group more efficient moving forward and made related changes to our Board and Management structure. I am delighted to have taken over the

leadership role from Oliver Horn. I also welcome Dave Fenlon as new Non-Executive Director and Jo Lorenz into the role of Global CFO.

We are excited to have achieved a number of new product development milestones across our core markets during the quarter and achieved strong outcomes in many of our other markets. Our products were named on the long-awaited UK FSA novel foods list; we renewed an exclusive license agreement with Elixinol Japan; appointed Elixinol Malaysia as exclusive distributor; and we received a Canadian trademark received for ELIXINOL after many years of application processing time.

We look forward to keeping the market updated as we continue with our strategic review process and in communicating our operational progress.”

The Company reported revenue of \$1.5m for Q1 FY22, a decline from the prior quarter (Q4 FY21: \$2.3m), reflecting post-Christmas seasonal softness, compounded by continued US CBD industry headwinds, and Omicron impacts.

Operating cash used during Q1 FY22, excluding non-recurring items was \$3.3m, a slight increase on the previous quarter (Q4 FY21: \$3.0m) and a 18% improvement compared with PCP (Q1 FY21: \$4.0m). The increase in cash outflows was due to further investment required to increase inventory safety stock and support release of new products in Q2. During the quarter, \$0.3m was received from US Government Employee Retention Credits.

Following the announcement of the strategic review update, the cost base has been significantly reduced with the impacts starting to be realised from Q2 FY22. On 28 March 2022, the Company announced preliminary findings of its strategic review which identified opportunities to reduce annual operating costs by approximately \$3.2m.

These significant cost savings are in addition to previously communicated savings following the transition to a capital light third-party logistics and order fulfillment model in the US which was completed at end of Q1 FY22 and is expected to yield annual savings of more than \$1.0m. These new savings are also in addition to previously communicated savings of approximately \$2.5m annualised from the transition to a licensing model in the UK which was completed in Q4 FY21.

The Company finished the quarter well-funded with \$10.8m including \$9.2m in cash and an additional \$1.6m expected from US COVID-19 relief measures.

### **Hemp Foods Australia update**

Hemp Foods Australia's growth trajectory halted due to normal seasonality and amidst a new wave of COVID-19 infections, with revenue down 27% vs Q4 FY21 (Q1 FY22: \$813k vs Q4 FY21: \$1,121k). Seasonality was reported in the previous year whereby Q1 FY21 revenue was 23% lower than Q4 FY20.

During the quarter, there were significant impacts in Australia due to COVID-19 and floods. We see an improvement in trading conditions moving forward. Supported by new products and an improving market, Hemp Foods Australia has reported a stronger start to Q2. After a successful launch of new products into Costco in Q4, purchase orders received in April have already exceeded the total received during all of Q1. Additionally, distribution of our seed products has been confirmed for a new Costco store scheduled to open in Auckland, New Zealand in August 2022.

### *Hemp Foods Australia launches a new Mixed Berry flavoured Hemp Protein*

Being the fourth flavour in our successful range of protein powders, the Mixed Berry flavoured Hemp Protein is a smooth blend of antioxidant-rich acai and premium-grade Hemp Gold® Protein. Creamy and delicious mixed berry flavour is perfect for a plant-based milk shake or added to your smoothie. Packed full of goodness, hemp protein contains a complete spectrum of amino acids, naturally occurring iron, magnesium, thiamine (B1) and zinc.

Our multi-channel distribution strategy means our new Mixed Berry Flavour Shake is available to customers through Flora & Fauna and our own website whilst health food retailers can buy through our national distribution network including Unique, Osborne and Go Vita.

The relaunch and expansion of our protein range has delivered a 63% growth in category revenue contribution for the quarter compared to PCP.



### Celebrity chef Simon Toohey announced as brand ambassador for Hemp Foods Australia

Hemp Foods Australia (**HFA**), Australia's leading hemp food company, has announced that former Masterchef finalist, Simon Toohey, has joined HFA as a brand ambassador.

Mr Toohey, who hosts Australia's first fully plant-based show on Network Ten called 'Freshly Picked with Simon Toohey', will work with HFA to spread the message about the health benefits of hemp and demonstrate how to use hemp food products in a range of meals.

Commenting on his new role as brand ambassador for HFA, Mr Toohey said, "*I'm so proud to be joining the brilliant team at Hemp Foods Australia as their Ambassador. A company with the same ethos as myself - to change the way we eat and therefore also help change the way we are looking after the planet. Can't get much better than that!*"

### Hemp Seed Oil Therapeutic Goods Administrator (TGA) New Ingredient Application

On 7 December 2021, Hemp Foods Australia submitted a New Ingredient Application for its Hemp Seed Oil with the Australian regulator, the Therapeutic Goods Administration (**TGA**). On 31 January 2022, Hemp Foods Australia (**HFA**) was notified that the first phase of the application was successful. This confirms that HFA was the first application and therefore the only application that will be assessed by the TGA. If the application is successful, HFA's Hemp Seed Oil will be accepted as a permissible ingredient for Listed Medicines and will be granted exclusivity of use for a two-year period. A final decision is anticipated to be received during or after September 2022.

### **Elixinol Americas update**

The Elixinol Americas business showed a revenue decline through the quarter, down 34% (Q1 FY22: \$713k vs Q4 FY21: \$1,074k), due to category promotion seasonality, an additional month of lower everyday retail prices (+20% discounts), lower discretionary retail spending amid fluctuating levels of Omicron infections and inflationary pressures. In addition, the CBD category continued to face over-supply challenges and regulatory uncertainty. Seasonality was reported in the previous year whereby Q1 FY21 revenue was 25% lower than Q4 FY20.

Despite the Q1 seasonality, monthly revenues during Q1 grew over the quarter with April performance trending towards a fourth month of consecutive revenue growth. Additionally, a strong line up of innovative new products will feature in the Company's promotional calendar which is expected to drive revenue growth.

The new e-commerce site continues to show strong leading performance metrics. Order conversion rate remained exceptionally strong at 5.6% and the subscription program continued to build momentum representing 32% of March e-commerce revenue. The loyalty program is also growing, which aims to reward and retain our most loyal customers.

The transformation towards a leaner, capital light e-commerce driven business saw significant progress throughout the quarter leading to a reduction in the annualised cost base by approximately \$2.0m.

The transition to a fully outsourced supply chain was completed in the quarter. In-house warehousing and fulfilment successfully moved to a third-party model will result in an additional \$1.0m of operating cost efficiencies in addition to the \$2.0m noted above.

## New products launched in US - Sleep Rapid Reset Liposome and Sleep THC Free<sup>3</sup> Gummies

During the quarter, the Company launched two new sleep products: the Sleep Rapid Reset Liposome and Sleep THC Free<sup>3</sup> Gummies. The



Sleep Rapid Rest Liposome and Sleep Gummies are unique, melatonin-free options for consumers to support optimal sleep. Both products contain CBD and CBN, marking a first for the brand to include a minor cannabinoid into product formulations. CBN has a reputation for helping to provide relief from

occasional sleeplessness. Sleep Rapid Reset Liposome is a custom formulation of CBD, CBN, lemon balm and chamomile in a vanilla bean flavor. The new Sleep Gummies are vegan and formulated with broad-spectrum hemp extract. Each gummy has 15mg of CBD and 2mg CBN wrapped in a sweet blueberry flavor. An additional six new products, with formulations unique to the category, are scheduled to launch during Q2 FY22.



## Other Markets

### Elixinol products on UK Food Standards Agency (FSA) published novel foods list thus enabling relaunch of Elixinol brand in UK through British Cannabis partnership

On 31 March 2022, the Food Standards Agency (FSA) in the United Kingdom published their long-awaited list of CBD products that are still in the running for full authorisation following a review of over 900 novel foods applications that had been submitted by CBD producers since 1 January 2021. More than 680 applications have now been rejected while another 42 were voluntarily withdrawn by applicants and 70 were approved, including applications supporting 22 Elixinol products. Just under a total of 6,000 products from approximately 100 applications are currently on the list.

<sup>3</sup> THC Free means testing conducted to 0.01%. Testing method and detection limits vary depending on the test conducted. This is not a guarantee that no THC is present at concentrations less than 0.01%. This product meets federal requirements for hemp products, however consumption may be flagged by some drug tests.

Products on the list may remain on sale while those that failed inclusion and any other non-compliant products on the market must now be withdrawn from consumer outlets and may not be traded or sold in the UK.

Publication of the list “*demonstrates the progress the sector has made to meet compliance requirements and creates greater regulatory certainty which, in turn, will increase levels of consumer trust, encourage investment in the sector, and promote innovation,*” said Steve Moore, Association for the Cannabinoid Industry’s founder and strategic counsel.

After many years of brand-building, Elixinol Wellness entered into an exclusive licensing agreement with British Cannabis™ for the UK market. With its products now included on the FSA list, UK consumers can continue to purchase Elixinol branded products.

#### *Exclusive agreement renewed and extended with Elixinol Japan*

Post quarter end, on 20 April 2022, Elixinol Wellness has renewed its exclusive Trademark and Know-How License Agreement (**Agreement**) with Elixinol Co., Ltd (**Elixinol Japan**), ensuring the Company can continue to build on its market leadership position in Japan, one of Asia’s biggest cannabidiol (**CBD**) markets.

Under the terms of the Agreement, Elixinol Japan can use Elixinol trademarks and know-how in connection with the manufacture, advertising, distribution and sale of licensed CBD products in Japan. Elixinol branded products will be manufactured in Japan to meet market specific regulatory requirements. The Agreement which was originally announced on 28 July 2020 was initially for two years. This renewed agreement is for a five-year period commencing on 1 May 2022 and will renew for a subsequent five-year period subject to mutual agreement of revenue targets. Under the Agreement, Elixinol Japan is required to pay royalties to Elixinol Wellness based on Elixinol Japan’s net sales. The agreement can be terminated for cause, which includes material breach of the agreement and failure to exceed Annual Revenue Targets.

#### *Elixinol Wellness enters into an exclusive distribution agreement for Malaysia*

On 1 December 2021, a wholly owned subsidiary of Elixinol Wellness entered into an exclusive distribution agreement with Elixinol Wellness (M) Sdn. Bhd. (**Elixinol Malaysia**). The three-year exclusivity period commences and is conditional upon, the Distributor having successfully obtained all required authorisations, registrations and licenses from the relevant regulatory authorities and government agencies to enable the distributor to legally import, sell and distribute the goods.

Elixinol Malaysia has appointed as Chair of its advisory board Tan Sri Datuk Seri Dato’ Dr Chua Soi Lek (Dr Chua). Dr. Chua, former Health Minister of Malaysia, is spearheading the approval and licensing process through the regulatory channels leveraging his vast knowledge and experience within the Government framework and local authorities.

### Elixinol trademark registration achieved in Canada

The 'intention to use' trademark application for "ELIXINOL" from November 2018 has successfully achieved registration in Canada. The term of registration is 10 years, until March 2032, and the registration will be renewable for further terms of 10 years.

Given a condition of operating in the Canadian market is that hemp must be grown and processed within the country, the Company is seeking opportunities to partner with local operators in Canada to utilise and license Elixinol trademarks, know-how and intellectual property in Canada.

### **Elixinol Wellness provides strategic review update, announces Board and Executive team changes**

On 28 March 2022, Elixinol Wellness provided an update on its strategic review process, which commenced in January 2022, with the objective of maximising shareholder value. It was announced in January that the Group engaged financial advisors Greenhill & Co. Australia Pty Limited (**Greenhill**) to assist with the strategic review which will include consideration of merger, sale or other options for the Company as a whole or its business units.

The strategic review remains ongoing, however the Board decided to bring forward cost reductions through a well-considered and resolute approach to better positioning the Company for the current market environment.

### Cost reduction program yields additional positive outcomes

Following a comprehensive organisational review, the Company is implementing a cost reduction program which is expected to reduce annualised operating costs by approximately \$3.2m, predominantly focused on reducing corporate costs and further right-sizing the Elixinol Americas operations.

These new US initiatives are expected to contribute approximately \$2.0m on an annualised basis in OPEX reduction and are in addition to savings of approximately \$1.0m annualised following the transition to an outsourced third-party logistics model in the US which was completed in Q1 FY22.

Throughout the strategic review, emphasis has been placed on optimising the Company's corporate cost structure. This has led to the decision to reduce corporate costs by substantially reducing the size and cost of the group executive team and integrating the group's standalone corporate functions across the group's entities. These initiatives are expected to reduce corporate overheads by approximately \$1.2m on an annualised basis.

These new savings are also in addition to previously communicated savings of approximately \$2.5m annualised from the transition to a licensing model in the UK which was completed in Q4 FY21. Importantly, these new cost efficiencies have been enabled by the work put in place over the previous 24 months, where the Board has focused on moving Elixinol Wellness to be an asset light, e-commerce led business.

#### Changes to Board and Executive team

As part of the strategic review, the Board accepted the resignation of Mr Oliver Horn from the role of Global Chief Executive Officer (**Global CEO**) and Executive Director, effective 8 April 2022. Mr Horn remains with the business as a Non-Executive Director.

In line with the focus on continuing the ongoing strategic transformation, the Company appointed Mr Ronald (Ron) Dufficy, the Company's then Global Chief Financial Officer (**Global CFO**), as Interim Global CEO of Elixinol Wellness from 8 April 2022.

Mr Dufficy has been with Elixinol Wellness since 2017, prior to the Company's IPO, and in previous roles has led large international teams and driven growth initiatives across highly regulated markets including as General Manager, Global Shared Services, at Aristocrat (ASX: ALL) and Chief Financial Officer, Aristocrat Americas. With his extensive senior leadership and strategy experience, Mr Dufficy is the natural appointment to lead this transition period whilst the strategic review of the Company is completed.

Ms Josephine (Jo) Lorenz who was formerly Group Financial Controller, stepped into the role of Global CFO from 8 April 2022. Prior to joining Elixinol Wellness in 2017, Josephine was Group Financial Controller for Network Ten, and before that for Nine Entertainment Co. (ASX: NEC). She was also formerly Head of Finance at Independent Television News Limited in London and held various roles at Deloitte in both London and Melbourne.

Mr David Fenlon was appointed independent Non-Executive Director, effective 28 March 2022, has over 30 years of experience in the FMCG and consumer sectors. He is currently CEO of The Platform Alliance Group, Non-Executive Chair for Nutritional Growth Solutions (ASX: NGS) and Non-Executive Director of Quest for Life Foundation. He was previously Group CEO and Managing Director of BWX Limited (ASX: BWX), and prior to that, was Managing Director for Australia and New Zealand at Blackmores Limited (ASX: BKL).

#### **Appendix 4C commentary**

During the quarter the Company reported operating cash expenditures excluding non-recurring items of \$5.2m, flat compared with the previous quarter (Q4 FY21: \$5.2m) and a 17% reduction vs PCP (Q1 FY21: \$6.2m). These expenditures were directed towards shifting revenues to direct to consumer channels and expanding its e-commerce capabilities, new product development and brand building, and expanding traditional retail



distribution (in particular, in Australia via Hemp Foods Australia). The expenditures were incurred across the Company's business segments as follows: Americas \$3.1m, Europe \$0.2m, Australia \$1.1m and Corporate \$0.8m.

The Company reported payments to related parties totalling \$220,000. These payments comprise non-executive director fees and executive director remuneration.

This document was authorised to be given to the ASX by the Board of the Company.

**Investor relations please contact:**

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**About Elixinol**

Elixinol Wellness Limited (ASX:EXL) is a global leader in the hemp industry, innovating, marketing and selling hemp derived nutraceutical, cosmetic and food products. The Company's simplified business model is focusing on:

- In the Americas, innovating, marketing and selling high quality Elixinol branded hemp derived nutraceutical and skincare products based in Colorado, USA
- In Australia, Hemp Foods Australia is a leading hemp food wholesaler, retailer, manufacturer and exporter of bulk and branded raw materials, and finished products
- In In the United Kingdom, South Africa, Japan, Brazil, Mexico and Malaysia (pending approvals), Elixinol branded products are available to consumers via exclusive Distribution and/or Trademark and Know-How Licensing Agreements
- Across the Rest of World, expanding distribution of Elixinol branded hemp derived products through reputable distributors as key markets open.

See more at [www.elixinolwellness.com](http://www.elixinolwellness.com)

## Appendix 4C

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

**Name of entity**

Elixinol Wellness Limited

**ABN**

34 621 479 794

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

31 March 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,587	1,587
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,768)	(1,768)
(c) advertising and marketing	(363)	(363)
(d) leased assets	(39)	(39)
(e) staff costs	(2,155)	(2,155)
(f) administration and corporate costs	(841)	(841)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	6
1.5 Interest and other costs of finance paid	(12)	(12)
1.6 Income taxes paid/(received)	(2)	(2)
1.7 Government grants and tax incentives	317	317
1.8 Other – non recurring	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(3,270)</b>	<b>(3,270)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(g) entities	-	-
(h) businesses	-	-
(i) property, plant and equipment	-	-
(j) investments	-	-
(k) intellectual property	(2)	(2)
(l) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	34	34
	(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	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>32</b>	<b>32</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(188)	(188)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(188)</b>	<b>(188)</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	12,649	12,649
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,270)	(3,270)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	32	32

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(188)	(188)
4.5	Effect of movement in exchange rates on cash held	(53)	(53)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>9,170</b>	<b>9,170</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	9,170	12,649
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>9,170</b>	<b>12,649</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	220
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>		

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</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>		
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.	N/A	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(3,270)
8.2 Cash and cash equivalents at quarter end (item 4.6)	9,170
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	9,170
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	2.80
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

29 April 2022

Date: .....

The Board

Authorised by: .....  
 (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.