

ASX ANNOUNCEMENT

Appendix 4C Quarterly Cash Flow Report For the Quarter Ending 31 December 2019

iQ3Corp Ltd (“iQ3” or “Company”) (ASX:IQ3), a corporate finance and advisory firm specialising in the Life Science industry, releases the following commentary in relation to its Appendix 4C report for the quarter ended 31 December 2019.

The Company reports total operating cash inflows for the quarter of \$110k, and a bank balance at the end of the quarter of \$453k.

The key results are:

- The receipts from the customer for the quarter is \$2,538k compared to \$1,821k for previous quarter (Q1 FY20).
- The total cash inflow for Q2 FY20 was \$81k compared to a total cash outflow of \$259k for Q2 FY19.
- The cash balances at the end of the quarter was \$453k compared to \$190k at the end of Q2 FY19.

END

About iQ3

iQ3Corp is a dedicated life science corporate finance and advisory firm.

www.iq3corp.com

About The iQ Group Global

The iQ Group Global provides a turnkey solution for life science companies, spanning corporate advisory and investment banking, through to research, development, commercialisation and sales. The Group facilitates an end to end solution along the drug lifecycle creating the medicines of tomorrow.

www.theigroupglobal.com.au

Contact

Registered office:	Level 9, 85 Castlereagh Street, Sydney 2000
Contact address:	Level 9, 85 Castlereagh Street, Sydney 2000
Phone:	+61 2 8239 5400
Email:	info@theigroup.com.au
Fax:	+61 2 8362 9547
Website address:	www.iQ3Corp.com

+Rule 4.7B

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

iQ3Corp Ltd	
ABN	Quarter ended ("current quarter")
63 160 238 282	31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,538	4,359
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(198)	(388)
(c) advertising and marketing	(22)	(39)
(d) leased assets	-	-
(e) staff costs	(1,437)	(2,654)
(f) administration and corporate costs	(753)	(967)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(18)	(48)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	110	263
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(2)	(16)
(b) businesses (see item 10)		
(c) investments	(27)	(47)

For personal use only

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (costs of establishing new teams)		
2.6 Net cash from / (used in) investing activities	(29)	(63)
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
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 (movements in related party accounts)		
3.10 Net cash from / (used in) financing activities	-	-
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	374	253
4.2 Net cash from / (used in) operating activities (item 1.9 above)	110	263
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(29)	(63)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(2)	-
4.6	Cash and cash equivalents at end of quarter	453	453

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	453	374
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (trust account)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	453	374

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	31
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors' remuneration

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	382
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Consulting fees and office sharing costs

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	-
9.2	Product manufacturing and operating costs	204
9.3	Advertising and marketing	23
9.4	Leased assets	-
9.5	Staff costs	1,480
9.6	Administration and corporate costs	775
9.7	Other (provide details if material)	-
9.8	Total estimated cash outflows	2,482


For personal use only

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

For personal use only

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.

Sign here:  Date: 31 /01/2020

(Director)

Print name: Peter Coolentianos

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

For personal use only