

## 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**

A1 Investments & Resources Limited

**ABN**

44 109 330 949

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

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (.....months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	44	44
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	(2)	(4)
(e) staff costs	-	-
(f) administration and corporate costs	(69)	(131)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(9)	(12)
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>(36)</b>	<b>(103)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	13
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
-	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>-</b>	<b>13</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	34	127
3.6	Repayment of borrowings	(75)	(88)
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>(41)</b>	<b>(39)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
<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 quarter/year to date	78	51
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(36)	(103)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	13
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(41)	40
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b> <b>(****See paragraphs 8.3 &amp; 8.4 below)</b>	<b>1</b>	<b>1</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	1	78
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>(****See paragraphs 8.3 &amp; 8.4 below)</b>	<b>1</b>	<b>78</b>

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

The directors took no payments in the quarter and have agreed that all outstanding remuneration due to them as at 31 Dec 2018 will be deferred to a long term liability. The directors have agreed that no demand for payment of their outstanding remuneration will be made in the short or medium term. The directors have also agreed to accept half payment of their respective remuneration for the term 1 January 2019 to 30 June 2019.

**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

-

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

**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

**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)

526

-

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.

\*\*\*\*

The Company entered a loan agreement with Mr Yukio Kawagoe for an advance of 40 million JPY at an interest rate of 1% pa on 26 Dec 2018. The loan is unsecured.

The Company received the loan principal of 40 million JPY on or about 4 January 2019. This sum was converted to A\$526,000 and subject to shareholder approval anticipates the conversion of such loan of \$526,000 to ordinary shares in the Company at the next general meeting of the Company. All outstanding trade creditors were immediately paid.

The remaining balance and the further funds referred to below will permit the Company to meet all operating costs for the next 12 months.

The Company anticipates receiving further moneys by way of a placement in a sum of 25 million JPY during this current quarter.

The Company has also reached agreement with two long term creditors, PLUS JPS Pte Limited and Koriyakawakyu Co., Ltd (total liability A\$1.3 million) whereby subject to shareholder approval such creditors will convert their debts including all outstanding interest, if any to equity at the next general meeting of the Company.

The Company it is of the opinion that it has sufficient working capital in its current business and current capital raising program to meet all outstanding current liabilities, and to meet its on-going working capital requirements for the next 12 months.


A1 Investments Operations Pty Limited trading as as an equal partner in the A1 Qualipac Agriculture joint venture will be cash positive and profitable by 30 June 2019. The Company estimates the receipt of approximately \$200,000 from this venture in this current quarter.

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	-
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	-
9.4	Leased assets	(2)
9.5	Staff costs	(16)
9.6	Administration and corporate costs	(100)
9.7	Other (provide details if material)	(150)
	Payment of Trade Creditors as at 31 Dec 2018 from the loan referred to in paragraph 8.3.	
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>(268)</b>

<b>10.</b>	<b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
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	-	-

### 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: ..   
(Director/Company secretary)

Date: ....24 January 2019.

Print name: Peter Ashcroft.

### 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.