



ASX ANNOUNCEMENT

ASX: SF1 | 27 July 2020

June 2020 Quarterly Report and Commentary

STEMify Limited (“**STEMify**” or the “**Company**”) provides the following quarterly update to accompany its quarterly cash flow report for the three months ended 30 June 2020.

KEY HIGHLIGHTS

- Completion of the disposal of the Company's 3D printing hardware and the MyStemKits K-12 curriculum business to Boxlight Corporation
- Investment of USD\$100,000 in BOXL shares at USD\$0.70 cents per share
- Agreement with VOX Royalty to sell net smelter interest in Saxby gold project

June 2020 Quarterly Cash Flow Commentary

Following the sale of the Company's 3D printing hardware and the MyStemKits K-12 curriculum business to BOXL on 21 April 2020, operational activities for US subsidiary MSK, Inc reduced significantly with activities focused on transitioning key channel partner accounts, maintaining some technical support for customers and day to day accounting and administration.

Corporate Update

Sale to Boxlight

On 21 April 2020, STEMify advised that it has completed the disposal of the Company's 3D printing hardware and the MyStemKits K-12 curriculum business to Boxlight Corporation for US\$600,000. BOXL is a leading provider of technology solutions for the global learning market, is listed on the NASDAQ (NASDAQ:BOXL) and generated revenue of US\$39.7m for the 12 months ended 30 September 2019.

The transaction has not resulted in any changes to the Board of the Company.

Separately, the Company has also subscribed for 142,857 shares in BOXL in a US\$100,000 placement as announced on 21 April 2020. The shares were issued at US\$0.70 per BOXL share and are subject to escrow for 6 months from the date of issue. As at 24 July, 2020, BOXL shares closed at US\$2.93 per share.

Under the sale and purchase agreement with Boxlight, the Company is also owed US\$350,000 by Boxlight, payable in four (4) separate instalments with the first payment due end of July and quarterly thereafter.

The funds received from the sale will provide capital to the Company which will be used to contribute to the funding required to sourcing and acquiring a suitable new business opportunity including conducting due diligence and ASX re-compliance costs.

At 30 June 2020, the Company had \$1m in cash.

Saxby Royalty

On 16 June 2020, STEMify Limited (**STEMify** or the **Company**) announced it has entered into a Royalty Sale and Purchase Agreement (**Agreement**) with Vox Royalty Australia Pty Ltd (**Vox**) to sell its net smelter



royalty interest in the Saxby gold project (**Royalty Interest**) which is 100% owned by Strategic Energy Resources (ASX:SER) (**Transaction**).

The consideration for 100% of the Royalty Interest is USD\$80,000, payable as follows:

- USD\$50,000 in cash; and
- USD\$30,000 in Vox shares (**Consideration Shares**).

The issue price of the Consideration Shares will be determined by the 5-day VWAP of Vox shares immediately preceding the completion date and will be escrowed for a period of 4 months from their issue. Subject to the satisfaction of certain conditions (as detailed below), the Transaction is expected to complete late July 2020.

Completion of the Transaction is subject to a number of conditions, including:

- completion of due diligence on the Royalty Interest to the satisfaction of SilverStream SEZC, the parent company of Vox;
- consent being obtained by STEMify to the change of ownership (as required under the relevant contracts); and
- STEMify and Vox obtaining all necessary approvals (or waivers) to give effect to the transaction.

Disposal of Main Undertaking

As outlined in ASX release on 6 February 2020, the ASX will continue the Company's quotation for up to six months from the date of the agreement (6 February 2020) to dispose of its main undertaking to allow the Company time to complete the disposal and to identify, and make an announcement of its intention to acquire, a suitable new business. The acquisition of a suitable new business will require the Company to re-comply with Chapters 1 & 2 of the Listing Rules and include a requirement for shareholder approval under Listing Rule 11.1.2.

The Company notes that the payments made to related parties and their associates outlined in Section 6 of the Appendix 4C represent directors' fees paid to directors and their related entities.

— ENDS —

FORWARD LOOKING STATEMENTS

All statements other than statements of historical fact included on this announcement including, without limitation, statements regarding future plans and objectives of STEMify, are forward-looking statements. Forward-looking statements can be identified by words such as 'anticipate', "believe", "could", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Robo that could cause actual results to differ from the results expressed or anticipated in these statements.

This announcement is authorised by the Board of Directors of the Company.



Further information

INVESTORS:

Tim Grice — Executive Director
STEMify Limited
tim@robo3d.com

About STEMify Limited

STEMify Limited has disposed of its main asset and is currently seeking suitable business opportunities.

About MyStemKits

MSK was established in 2013 and has grown into a leading USA “EdTech” business that develops and markets the world’s largest library of Science, Technology, Engineering and Math (**STEM**) curriculums incorporating 3D printed project kits for K-12 schools, all aligned to USA national science and mathematics standards. It was recently recognised as a finalist for the best STEM Solution by EdTech Digest at the 2018 EdTech Awards.

MSK’s lesson plans were developed over five years in conjunction with The Florida Center for Research in Science, Technology, Engineering and Mathematics at the Florida State University (**FCR-STEM**). An estimated US\$20 million was invested into the development and extensive testing in the classroom.

To learn more about MyStemKits, visit: www.mystemkits.com

About Boxlight

BOXL is a leading provider of technology solutions for the global learning market and is listed on the NASDAQ (NASDAQ:BOXL). The company aims to improve learning and engagement in classrooms and to help educators enhance student outcomes, by developing the products they need. The company develops, sells, and services its integrated, interactive solution suite including software, classroom technologies, professional development and support services. For more information about the Boxlight story, visit www.boxlightcorp.com.

About Vox

Vox is a growth and precious metals focused mining royalty and streaming company that was incorporated under the Companies Law of the Cayman Islands as a Special Economic Zone Company on January 22, 2014. Vox holds a portfolio of [37] royalties and streaming assets and 1 royalty option. Vox’s interests span seven jurisdictions, including Australia, Canada, Peru, Brazil, Mexico, the United States and Madagascar. Vox has royalties on producing mines in addition to royalties over several long-life, development-stage assets. Recognizing the upside potential of exploration success, Vox also acquires and holds a portfolio of royalties over exploration-stage assets. Vox has been the fastest growing royalty & streaming acquisition company since January-2019, announcing 14 separate royalty transactions. Further information on Vox can be found at www.voxroyalty.com.

Appendix 4C

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

Name of entity

STEMIFY LIMITED

ABN

20 009 256 535

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	78	1,167
1.2 Payments for		
(a) research and development	-	(3)
(b) product manufacturing and operating costs	(12)	(532)
(c) advertising and marketing	-	(25)
(d) leased assets	-	-
(e) staff costs	(96)	(768)
(f) administration and corporate costs	(90)	(1,163)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	3
1.5 Interest and other costs of finance paid	-	-
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	(120)	(1,321)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	(161)	(250)
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	155	155
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(6)	(95)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,313
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	94	112
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	94	2,425

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,050	12
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(120)	(1,321)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(95)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	94	2,425
4.5	Effect of movement in exchange rates on cash held	(12)	(15)
4.6	Cash and cash equivalents at end of period	1,006	1,006

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	1,006	1,051
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,006	1,051

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

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

44

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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

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

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** -

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(120)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	1,006
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	1,006
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	8.4

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

- 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

- 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

- 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

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.

27 July 2020

Date:

By 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.