

Appendix 4C

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

Name of entity

ASF Group Limited

ABN

50 008 924 570

Quarter ended ("current quarter")

30 June 2024

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	830	3,008
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(6)	(15)
(d) leased assets	-	-
(e) staff costs	(350)	(1,323)
(f) administration and corporate costs	(945)	(2,669)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other - GST (paid)/refunds and misc expense	56	(88)
1.9 Net cash from / (used in) operating activities	(413)	(1,082)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(1)	(1)
(d) investments	(75)	(75)
(e) intellectual property	-	-
(f) other non-current assets	(332)	(429)

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	-	-
	(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	(408)	(505)

3.	Cash flows from financing activities		
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	-	1,000
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - security deposit released	-	-
	- shares buy-back	-	-
3.10	Net cash from / (used in) financing activities	-	1,000

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,109	1,881
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(413)	(1,082)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(408)	(505)

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)	-	1,000
4.5	Effect of movement in exchange rates on cash held	6	-
4.6	Cash and cash equivalents at end of period	1,294	1,294

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	1,294	2,109
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)	1,294	2,109

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(286) *
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>		

* Consulting fees, director fees and salary (\$182), office lease (\$104)

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>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.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (Convertible Loan)	25,000	22,950
7.4 Total financing facilities	25,000	22,950
7.5 Unused financing facilities available at quarter end		2,050
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.	<p>Unsecured convertible loan facilities which bear an interest rate at 10% per annum with extended maturity date of 30 April 2026 granted by Star Diamond Developments Limited:</p> <p>(i) \$5 million granted on 15 September 2016; and</p> <p>(ii) \$10 million granted on 21 March 2017, which had been subsequently increased to \$20 million.</p> <p>As of 30 June 2024, a total of \$22.95 million had been drawn down by the Company.</p>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(413)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,294
8.3 Unused finance facilities available at quarter end (item 7.5)	2,050
8.4 Total available funding (item 8.2 + item 8.3)	3,344
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	8.1
<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

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.

29 July 2024

Date:

William Kuan, Company Secretary

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.

Activities Report – For the quarter ended 30 June 2024

Corporate

During the quarter, the Company announced that Star Diamond Developments Limited (“Star Diamond”) agreed to extend the maturity date of its \$25 million unsecured convertible loan facilities from 31 October 2024 to 30 April 2026.

As of 30 June 2024, the Company together with its subsidiaries (the “Group”) maintained a cash balance of approximately \$1.3 million and has a remaining Star Diamond loan facility of \$2.05 million available for draw down.

Pursuant to section 6 of the Company’s Appendix 4C, the Company paid approximately \$286,000 to the related parties during the quarter, of which \$182,000 were consulting and director fees and \$104,000 were office rentals.

Principal Investments

ActivEX Limited (“AIV”)

AIV is an ASX listed mineral exploration company holding a number of prospective tenements, principally targeting copper, gold and critical minerals in Queensland.

In April 2024, AIV completed the sale of its wholly owned subsidiary, ActivEx Canning Pty Ltd which holds nine 100% owned thermal and metallurgical coal tenements, for \$75,000.

On 3 June 2024, AIV announced that the maturity date of its \$5 million unsecured loan facility granted by Star Diamond has been extended to 30 April 2026.

AIV also announced on 20 June 2024 that it has been granted one of the two Exploration Permits for Minerals (EPM) applications lodged in Queensland in 2022 for its Aramac Project. AIV intends to explore for rare earth elements (REE) within the kaolinitic and in part calcareous sediments of the basal Lower Cretaceous Wallumbulla Formation (Doncaster Member) and base metals (Zn/Co) and Mn/Ba in the underlying Upper Jurassic/Lower Cretaceous fine-grained sediments of the Ronlow Beds.

As at 30 June 2024, the Company holds 16.74% of the issued capital of AIV with a market value of \$0.22 million.

Rey Resources Limited (“REY”)

REY is an ASX listed energy company with a large tenement holding in coal, oil & gas in the Western Australia. The principal activity of REY is exploring for and developing energy resources in Western Australia’s Canning Basin.

On 17 June 2024, REY announced that it has agreed with the Company and Ms Wanyan Liu for the extension of maturity dates of the respective loan facilities to 30 April 2026. Ms Wanyan Liu also agreed to increase the facility amount by \$5 million to a total of \$25 million.

As at 30 June 2024, the Company holds 16.39% of the issued capital of REY with a market value of \$1.94 million.



Key Petroleum Limited (“KEY”)

An ASX-listed oil and gas exploration company with asset holdings (ATP 920 & 924) in the Cooper Eromanga Basin in Queensland located between the Inland and Cook/Cuisinier Oil Fields, with the eastern assets located just north of the Eromanga Oil Refinery.

Due to the Lake Eyre Basin (LEB) policy, ATP 920 will be approximately 2% affected and ATP 924 will be approximately 40% affected. KEY is investigating higher forms of tenure for the ATPs. Further, KEY is assessing potential additions to its asset portfolio.

As at 30 June 2024, the Group holds 9.96% of the issued capital of KEY with a market value of \$0.23 million.

Kaili Resources Limited (“KLR”)

KLR is a resources exploration company which holds tenements in Western Australia. The Group holds 2.2 million shares in KLR with a market value of \$17,600 as at 30 June 2024.

Civil & Mining Resources Pty Ltd (“CMR”)

Together with its subsidiary ASF Resources Pty Ltd, the Company holds 68.97% of the issued capital of CMR which is a privately owned company with a substantial coal tenement portfolio in Queensland situated in close proximity to operating mines, infrastructure and proven economic coal resources.

The Dawson West project, which is 87.5% owned by CMR, has confirmed export quality thermal coal resources with seams of mineable thickness expected to extend further into unexplored areas. CMR has defined a JORC2012 code compliant resource, with a total of 876Mt (188Mt Indicated, 688Mt Inferred resource). During the quarter, CMR together with its JV partner are waiting on approvals for an additional 750,000 tonnes to the already approved sample pit of 250,000 tonnes while continuing to maintain momentum towards operating a sample pit.

ASF Technologies (Australia) Pty Ltd (“ASFTA”)

ASFTA is an Australian company that has developed a flat opposed cylinder boxer-type engine that uses patented Scotch Yoke mechanisms giving the engine advantages in weight, length, width, height, vibration and emissions over other conventional engines in its class.

ASFTA's Scotch Yoke engine was originally developed over 20 years ago and tested at the time by VW, Ford, Cosworth, and others. The engine has now refreshed its design, with 7 patents newly pending, and tested by FEV. The engine is the first successful 4 stroke Scotch Yoke engine to be specifically designed and developed for modern Hybrid and Range Extender vehicles and can achieve Euro 6d and China 6b emissions on China RON 92 fuel with minimum expensive add on technologies. The engine does not need Turbo charging, VVT, EGR or GDI to meet the European 6d or China 6b emission regulations.

In addition to new energy vehicles, the engine is easily adaptable for a range of power applications ranging from aviation use to home generator use. The engine is designed to be fuel agnostic and can run on Gasoline, LPG, CNG and Hydrogen. Testing of B stage in Europe has now been completed. The engine achieved emissions that were better than Euro 6 and China 6b standards without expensive VVT or EGR technology and passed a 1000hr durability test that is 2.5 times the normal standard test requirement. One patent has been granted for the US market.

The Company holds 62% of the issued capital of ASFTA.

BSF Enterprise PLC (“BSFA”)

BSF Enterprise PLC (LSE: **BSFA**), (OTCQB: BSFAF) is at the forefront of unlocking the next era of biotechnological solutions, focusing on cell-based tissue engineering to revolutionize cultured meat, lab-grown leather, human corneas, collagen growth, and skin substitutes across various sectors. As the parent company, BSFA initially acquired 100% of 3D Bio-Tissues Ltd (**3DBT**), which had developed a proprietary platform technology termed “tissue templating” (commonly referred to as “tissue engineering”) that facilitates the production of a variety of animal tissue types for multiple uses.



3DBT was spun-out from Newcastle University, UK in 2019 as a tissue engineering firm with patent-protected technology that aims to offer structured, functional and scalable tissue replicates with potential applications in clinical settings for the replacement of human skin & corneas or broader uses in consumable protein including lab grown meat.

BSFA and corneal tissue replacement company Kerato, announces that 3DBT has signed an MoU with Maison Amelie Pichard, a fashion company that designs and makes products using environmentally friendly materials. The collaboration will explore future commercial opportunities, working together to develop, manufacture, and ultimately sell fashion accessories that incorporate lab-grown leather. This is a milestone event, marking the first-time real lab-grown leather has been ethically produced for the fashion industry using the same structures as traditional leather, without the need for plant-based scaffolds, making it suitable for traditional craft purposes.

BSFA has successfully completed several proof-of-concept agreements for developing cultivated leather, earning over £90,000 to date. Their subsidiary, 3DBT, partnered with a major leather fashion company to produce bio-engineered animal skin tissue samples, validating the suitability of 3DBT's cultivated skin as a sustainable alternative to traditional leather. Following a successful 60-week study, 3DBT continues to develop thicker bio-engineered samples and has received over £50,000 from this partnership. Additionally, BSFA secured a £38,000 Innovate UK grant for a project with the University of Northampton to further develop sustainable leather using 3DBT's dermal tissue. 3DBT's technology, which eliminates the need for animal-derived serum, marks significant progress in ethical leather production.

BSFA has granted 2.4 million Enterprise Management Incentive (EMI) options to its employees and subsidiaries, representing 2.23% of its current issued share capital. These options, exercisable at 15 pence per share, will vest in two tranches: 1.65 million options on the second anniversary and 750,000 options on the third anniversary of the grant date. This initiative aims to incentivize and retain key talent as BSFA continues to expand its pioneering work in tissue engineering, including lab-grown leather, cultivated meat, and corneal replacement tissues.

The Company through its subsidiary BSF Angel Funding Limited holds 16,610,944 fully paid ordinary shares of BSFA with a market value of GBP0.87 million (equivalent to approximately A\$1.6 million) as at 30 June 2024.

Property Marketing and Services

ASF Properties Pty Ltd ('ASFP'), a wholly-owned subsidiary of the Company, provides comprehensive property services to Australian and international property investors and purchasers. ASFP serves as a strategic and whole-process platform for offshore investors to access the Australian property market, providing services including but not limited to: development management, project marketing campaign delivery, property management and property consultations. ASFP's services cover projects from New South Wales to Queensland.

Construction of the Peninsula Terraces townhouses concluded in June and all units settled, contributing positively to revenue growth. The resale of established properties in the Hope Island precinct along with upcoming new projects are expected to boost revenue in the coming quarter.

Fund Management and Advisory Services

ASF Capital Pty Ltd ('ASF Capital') holds an Australian Financial Services Licence and is the fund management and advisory arm of the Group's core strategy to facilitate two-way capital flows between Australia and Asia.

ASF Capital assists select businesses both on shore and off on matters such as public listing, financial advisory, entry and/or expansion in Australia, and visa migration related areas. Also, ASF Capital is working to form tailor-made wholesale funds to capture a diverse array of investment opportunities.



Information about ASF

ASF Group Limited (ASX: AFA) is a diversified investment company with an international outlook and a history of more than 40 years. In an increasingly dynamic global market, we are experienced in spearheading strategic trade and investment between Australia and the world. Our insight and experience with transnational trade and investment allows us to generate value and maximise returns in our focus sectors of property, resources, technology and financial services.

Authorised by:
Board of ASF Group Limited

For further information, please contact:
William Kuan
Company Secretary
ASF Group Limited
Ph: +612 9251 9088