

## 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 September 2024

<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	192	192
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(5)	(5)
(d) leased assets	-	-
(e) staff costs	(325)	(325)
(f) administration and corporate costs	(607)	(607)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	88	88
1.8 Other - GST (paid)/refunds and misc expense	(4)	(4)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(660)</b>	<b>(660)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(f) other non-current assets	-	-
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 – Dawson West JV cash calls	(242)	(242)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(242)</b>	<b>(242)</b>

<b>3. 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	2,000	2,000
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	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>2,000</b>	<b>2,000</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	1,294	1,294
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(660)	(660)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(242)	(242)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,000	2,000
4.5	Effect of movement in exchange rates on cash held	24	24
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,416</b>	<b>2,416</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	2,416	1,294
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>2,416</b>	<b>1,294</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	(261) *
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

\* Consulting fees, director fees and salary (\$182), office lease (\$79)

<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. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities <i>(note A)</i>	7,000	2,000
7.2 Credit standby arrangements	-	-
7.3 Other (Convertible Loan) <i>(note B)</i>	25,000	22,950
<b>7.4 Total financing facilities</b>	<b>32,000</b>	<b>24,950</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>7,050</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.		
<p>(A) Unsecured loan facilities granted by Star Diamond Developments Ltd ("Star Diamond") to Civil &amp; Mining Resources Pty Ltd, a subsidiary of the Company ("CMR Facility") with the following terms:</p> <ul style="list-style-type: none"> <li>(i) Total facility amount: \$7 million;</li> <li>(ii) Interest rate: 9% per annum; and</li> <li>(iii) Maturity date: 31 December 2025.</li> </ul> <p>(B) Unsecured convertible loan facilities granted by Star Diamond to the Company ("ASF Facility") with the following terms:</p> <ul style="list-style-type: none"> <li>(i) Total facility amount: \$25 million;</li> <li>(ii) Interest rate: 10% per annum;</li> <li>(iii) Maturity date: 30 April 2026; and</li> <li>(iv) Convertible: the ASF Facility can only be converted into shares of the Company's subsidiaries and/or the securities held by the Company or its subsidiaries.</li> </ul> <p>As of 30 September 2024, \$2 million CMR Facility and \$22.95 million ASF Facility had been drawn down.</p>		

<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)	(660)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,416
8.3 Unused finance facilities available at quarter end (item 7.5)	7,050
8.4 Total available funding (item 8.2 + item 8.3)	9,466
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>14.3</b>
<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 October 2024

Date: .....

By the Board of ASF Group Limited

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.



## **ASF GROUP LIMITED**

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## **Activities Report – For the quarter ended 30 September 2024**

### **Corporate**

On 30 July 2024 the Company announced the extension of the buyback program for a further 12 months from 13 August 2024 and up to 79.2 million shares can be bought back over the next 12 months. During the quarter, no shares were bought back under the share buyback program.

The Company also announced on 26 August 2024 that its subsidiary, Civil & Mining Resources Pty Ltd (“CMR”), secured a \$2 million loan facility (“CMR Facility”) from Star Diamond Developments Limited (“Star Diamond”) for a term of 1 year. The CMR Facility was subsequently increased to \$7 million and the maturity date was extended to 31 December 2025.

As of 30 September 2024, the Company together with its subsidiaries (the “Group”) maintained a cash balance of approximately \$2.4 million and has remaining loan facilities granted by Star Diamond to the Company and CMR available for draw down for a total of \$7.05 million.

Pursuant to section 6 of the Company’s Appendix 4C, the Company paid approximately \$261,000 to the related parties during the quarter, of which \$182,000 were consulting and director fees and \$79,000 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.

During the quarter, AIV announced that it has executed a non-binding Terms Sheet with HK Create Capital Investment Group Ltd (“HKCCIG”) for the establishment of a joint venture (“JV”) on its Gilberton Gold Project (“Gilberton Project”), pursuant to which HKCCIG will acquire 65% of the Gilberton Project from AIV for a cash consideration of \$1 million. HKCCIG also has an option to increase its interest in the JV to 75.5% by investing an additional \$1 million into the JV.

As at 30 September 2024, the Company holds 16.74% of the issued capital of AIV with a market value of \$0.18 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 1 August 2024, REY announced that it has executed a Binding Cooperation Framework Agreement with China Guoxin Investment Holdings Co., Limited (“Guoxin”) pursuant to which Guoxin will acquire all the issued capital of a wholly owned subsidiary of REY, Gulliver Productions Pty Ltd which holds 100% interest in the Lennard Shelf Blocks comprising EP104, R1 and L15, for a cash consideration of \$400,000.

During the quarter, REY also announced the extension of its share buy-back program for 12 months commencing from 16 September 2024 and up to 21.1 million shares can be bought back by REY over the next 12 months.

As at 30 September 2024, the Company holds 16.39% of the issued capital of REY with a market value of \$1.25 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.

KEY has decided not to proceed with Petroleum Lease (PL) applications for the areas of ATP 920 and ATP 924 within the Lake Eyre Basin (LEB) exclusion zone due to its low probability of success. For the unaffected portions of these tenures – 98% of ATP 920 and 60% of ATP 924, KEY is considering applying for Potential Commercial Area (PCA) status. Concurrently, KEY continues to assess potential additions to its asset portfolio.

Subsequent to quarter end, KEY announced the appointments of two new directors and the resignation of three current directors. Also, KEY has secured a loan facility of A\$200,000 from the Company with a maturity date of 2 years from inception.

As at 30 September 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 September 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 with a second patent proceeding to grant for Europe.

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, the parent company of Kerato Ltd which specializes in corneal tissue replacement, has announced a partnership and research agreement with the University of Montreal to develop an in-situ gelling cornea for treating corneal damage. Kerato, aiming to reduce the complexity of traditional transplant surgeries, combines synthetic proteins with host cells to repair tissue through injections. This treatment is expected to improve patient outcomes, lower healthcare costs, and shorten hospital stays. The partnership will focus on advancing clinical trials and regulatory approvals, initially testing the technology in veterinary applications to accelerate market entry.

BSFA has during this quarter provided the following portfolio update.

- **Lab Grown Leather (LGL):** Producing the world's first scaffold-free, lab-grown leather, LGL has created a 'Standard Operating Procedure' for broader adoption in the industry, aiming to scale up pilot manufacturing within the next year.
- **Kerato Ltd:** Developed the LiQD Cornea, an injectable that forms a self-sealing gel for corneal repair, with veterinary trials starting in 2024 and plans for human trials in 2026.
- **3D Bio Tissues:** Launching CytoBoost™ to enhance cell culture processes and moving to an OEM model for City-Mix™ to reduce production costs and increase capacity for CytoBoost™.
- **Cultivated Meat Technologies (CMT):** seeking to develop a technology platform for cultivated meat products, aiming to partner with major food industry players in the UK and Europe.
- **BSF Hong Kong:** Operating successfully from Hong Kong, facilitating strategic partnerships and capital sourcing for a new cultivated meat facility in the region.

Che Connon, CEO of 3DBT and Managing Director of BSFA, emphasized the strategic focus on acquiring and developing promising lab-grown tissue ventures to enhance efficiency and expand market reach.

The Company through its subsidiary BSF Angel Funding Limited holds 16,610,944 fully paid ordinary shares of BSFA with a market value of GBP0.66 million (equivalent to approximately A\$1.29 million) as at 30 September 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. The resale of established properties in the Hope Island precinct along with upcoming new projects are expected to provide revenue contributions 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

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