

Appendix 4C - Quarterly report

Commentary for the quarter ending 30 September 2018

Cash receipts from customers for the September quarter were \$3.0m, an increase of \$1.03m or 52% on the previous quarter's receipts of \$2.0m.

Outgoing cash payments during the quarter at \$5.23m were \$0.74m or 17% higher than the previous quarter, driven primarily by an increase in publisher payments (\$0.75m).

The \$5.23m payments during the quarter was \$0.39m above the forecast of \$4.84m due to higher than expected publisher payments (\$0.41m).

Net cash outflows from operating activities for the quarter was \$2.21m, a \$0.27m decrease on the previous quarter at \$2.49m negative (excluding the \$2.67m R&D payment received in the June 18 quarter).

During the September quarter, the Company received \$3.50m from the Placement announced on 3 August 2018 (\$3.38m after transaction costs paid to date).

The Company expects a cash receipt from the R&D Rebate Scheme for FY2018 in either the December 2018 or March 2019 quarters.

Cash at the end of the September quarter was \$5.97m. This does not include the R&D funds referred to above.

The forecast for December 2018 payments is \$5.63m which is \$0.41m or 8% over the current quarter primarily due to the timing of publisher payments.

The Company continues to assess the progress of trading fee revenues and the required investment to accelerate their growth. The Company will continue to explore and consider a range of capital management initiatives to ensure it is best placed to maximise the opportunity for trading fee revenues.

More information on the Company's performance is available via the Company's Trading Update issued today.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

ADSLOT LTD

ABN

70 001 287 510

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,000	3,000
1.2 Payments for		
(a) staff costs	(2,313)	(2,313)
(b) research and development	(1,083)	(1,083)
(c) publishers	(837)	(837)
(d) other cost of sales	(274)	(274)
(e) advertising and marketing	(34)	(34)
(f) leased assets	(1)	(1)
(g) other working capital/overheads	(684)	(684)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	13
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	(2,213)	(2,213)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
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	(3)	(3)
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 (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(3)	(3)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	3,431	3,431
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	(47)	(47)
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 (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	3,384	3,384

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
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	4,775	4,775
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,213)	(2,213)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	3,384	3,384
4.5 Effect of movement in exchange rates on cash held	29	29
4.6 Cash and cash equivalents at end of quarter	5,972	5,972

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	2,956	1,560
5.2 Call deposits	3,016	3,215
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)	5,972	4,775

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	149
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 Fees

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 <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 staff costs	2,385
9.2 research and development	1,108
9.3 Publishers	1,039
9.4 other cost of sales	316
9.5 advertising and marketing	65
9.6 leased assets	1
9.7 other working capital/overheads	720
9.8 Total estimated cash outflows from operating activities	5,634

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		

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:
(Company secretary)

Date: 30 October 2018

Print name: Felicity Conlan

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.