

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 2022

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	320	320
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(19)	(19)
(d) leased assets	-	-
(e) staff costs	(400)	(400)
(f) administration and corporate costs	(643)	(643)
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	6	6
1.8 Other - GST refunds and misc expense	22	22
1.9 Net cash from / (used in) operating activities	(713)	(713)
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	-	-
(e) intellectual property	-	-
(f) other non-current assets	(709)	(709)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(150)	(150)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(860)	(860)

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	-	-
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	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,408	4,408
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(713)	(713)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(860)	(860)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	26	26
4.6	Cash and cash equivalents at end of period	2,861	2,861

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	2,861	4,408
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)	2,861	4,408

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	(258) *
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 (\$183), office lease (\$75)

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	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 (Convertible Loan)	25,000	21,950
7.4	Total financing facilities	25,000	21,950
7.5	Unused financing facilities available at quarter end		3,050
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. Unsecured convertible loan facilities which bear an interest rate at 10% per annum with extended maturity date of 31 October 2023 granted by Star Diamond Developments Limited: (i) \$5 million granted on 15 September 2016; and (ii) \$10 million granted on 21 March 2017, which had been subsequently increased to \$20 million. As of 30 September 2022, a total of \$21.95 million had been drawn down by the Company.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(713)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,861
8.3	Unused finance facilities available at quarter end (item 7.5)	3,050
8.4	Total available funding (item 8.2 + item 8.3)	5,911
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	8.29
	<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.

24 October 2022

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 September 2022

Corporate

On 4 July 2022, the Company announced the extension of its on-market share buyback program for a further 12 months from 18 July 2022 and up to 79.2 million shares of the Company can be bought back over the next 12 months under the new buyback program.

As of 30 September 2022, the Company together with its subsidiaries (the “Group”) maintained a cash balance of approximately \$2.86 million and has an available loan facility of \$3.05 million granted by Star Diamond Developments Limited.

Pursuant to section 6 of the Company’s Appendix 4C, the Company paid approximately \$258,000 to the related parties during the quarter, of which \$183,000 were consulting and director fees and \$75,000 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 gold mineralisation in Queensland.

During the quarter, AIV achieved encouraging results on its exploration projects. On 4 July 2022, AIV announced its Georgetown Project obtained an excellent gold result from rock samples which also returned high grades of Manganese, Lead and Iron.

On 14 July 2022, AIV announced the Reverse Circulation (RC) drilling program at its Mt Hogan project completed with 38 holes completed for an advance of 4,275m. The result was encouraging with high grade gold intersections observed. On 13 September 2022, AIV further announced it had completed diamond core drilling on Mt Hogan project with visible gold observed in one of the core drill holes. The Mt Hogan historic gold mine is part of AIV’s 100% owned Gilberton gold project which is situated in the Georgetown Province in northeast Queensland, approximately 300km west-northwest of Townsville.

As of 30 September 2022, the Group holds 16.08% of the issued capital of AIV with a market value of \$1.11 million.

Rey Resources Limited (“REY”)

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

On 4 August 2022, REY announced the extension of its on-market share buyback program for a further 12 months from 18 August 2022 and up to 21.2 million shares can be bought back by REY over the next 12 months.

As at 30 September 2022, the Group holds 16.36% of the issued capital of REY with a market value of \$4.16 million.

Key Petroleum Limited (“KEY”)

On 21 September 2022, KEY announced that it had entered into a share sale agreement with Triangle Energy (Global) Limited for the sale of its two wholly owned subsidiaries (the “Sale”) which hold the remaining interests in Production Licence L7 and Exploration Permit EP437 for a total consideration of \$1.1



million. KEY further announced on 30 September 2022 that the Sale was completed and KEY received \$600,000 in cash and will receive \$500,000 worth of Triangle Energy shares on or before 30 June 2023.

Following completion of the Sale, KEY will remain an active Australian explorer, with a renewed strategic focus on maturing the east coast gas supply potential from its Cooper-Eromanga Basin assets in Queensland.

As at 30 September 2022, the Group holds 11.45% of the issued capital of KEY with a market value of \$0.34 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 \$28,600 as at 30 September 2022.

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.

CMR has successfully completed 48 boreholes on their key project Dawson West, with a total of 10,940m drilled, geophysical logged selectively cored, sampled and analysed, which 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).

Following completion of the exploration program at Dawson West Project, CMR lodged a bulk sample pit application which has been approved and CMR is currently assessing the potential development of the sample pit operations.

ASF Technologies (Australia) Pty Ltd ("ASFTA")

ASFTA is an Australian company that has developed Australian patents for the Scotch Yoke mechanism technology used initially in power generation for engines with lower vibration, less noise, lower emissions, and lower cost than conventional engines.

BSF Enterprise PLC ("BSFA")

Upon completion of reverse takeover of 3D Bio-Tissues Ltd ("3DBT") by BSFA which had been re-admitted to the Official List on the London Stock Exchange's Main Market on 17 May 2022, 3DBT is now a 100% owned subsidiary of BSFA.

3DBT was spun-out from Newcastle University, UK in 2019 and is a bio-technology company specialising in serum-free media, skin care and tissue engineering.

3DBT has 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. This technology 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.

Amongst other intellectual property, 3DBT has also developed the following:

- Serum-free media: 3DBT's City-mix™ supplements are a serum-free media for culturing muscle and fat cells (by way of an animal-free process) that can be used for lab -grown meat and leather production; and



- Skin Care Products: Lipopeptide Etsyl™ is a product that actively increases collagen production in human skin cells. It can be used as an active ingredient in cosmetic skin cream and other topical dermatological products.

Building on its success to date, 3DBT is focused on producing the UK's first 100% lab-grown meat in the next 12 months. The funds raised will be used to expand the team and to market the Company's animal-free cell growth agent (serum free media) and skin care products.

The Company through its subsidiary BSF Angel Funding Limited holds 16,610,944 fully paid ordinary shares of BSFA with a market value of approximately A\$1.6 million (GBP0.96 million) as at 30 September 2022.

Property Marketing and Services

ASF Properties Pty Ltd ('ASFP'), a wholly-owned subsidiary of the Company, continues to provide property services to onshore and offshore investors and home buyers. It represents an important strategic platform for offshore investors to access the Australian real estate market. The service scope includes development management, property management, property advisory, and development syndication. The projects which ASFP provides services for are located in New South Wales and Queensland.

ASFP has achieved excellent sales results for Stage 3 of the Peninsula Hope Island project which is the final stage of a master-planned gated community development located in Gold Coast, Queensland. The company is also providing marketing and sales service for the other project named "the AU" located at Surfers Paradise, Gold Coast. It is expected these two projects will continue to increase the revenue for ASFP in the year ahead.

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 able to form any number of tailor-made wholesale funds to capture a diverse array of investment opportunities.

Castle Green, London

The Group and the London Borough of Barking & Dagenham ('LBBD') continue to work jointly together in assessing the possible development of a major infrastructure project in the Castle Green area, which could include the building of 15,000 new residential dwellings; rerouting of the A13 trunk road and creating commercial buildings of 3,700,000 square feet which will create an estimated 8,000 employment opportunities.

The Castle Green project will be transformational for LBBD, bringing considerable social, economic and infrastructure benefits, and will be conducted together with Be First LBBD's local authority regeneration company.



UKIIC, UK

The Company, through its wholly owned UK subsidiary BSF International Ltd, holds 20% interest in the issued capital of UK International Innovation Centre (**UKIIC**) which aims to develop an incubation Centre for development of early stage technology and life science businesses in the City of London.

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:
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