

4 April 2017

Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Appendix 4C (FY17 Q3)

Dear Sirs,

Alcidion Group Limited is pleased to release its cashflow statement for FY17 Q3.

In relation to the cash position as at 31 March 2017, the Company provides the following commentary:

1. The Company's YTD cash position reduced from \$5.84m to \$5.65m (\$199k).
2. The Company's quarterly cash position reduced from \$5.92m to \$5.65m (\$279k).
3. The Company maintains a strong balance sheet, with \$5.65m in cash, minimal current liabilities and no non-current liabilities.
4. A significant portion of the Company's licensing, maintenance and support revenues are received annually in advance, historically paid at the end of the Financial Year (FYQ4) or at the commencement of the Financial Year (FYQ1). This cycle of payments results in reduced cash inflows in FYQ2 and FYQ3.
5. The Company has invested approximately \$1.89m in R&D (YTD), inclusive of \$590k for the current quarter. The Company intends to claim 45% of its eligible R&D expenses under the Federal Government R&D Tax incentive. Any refund to which the Company is entitled is expected to be received in FY18 Q2.
6. Non-Executive Director, Mr. Brian Leedman exercised 5m Options.

The various cash flow data contained in this covering letter and the attached Appendix 4C are unaudited.

Appendix 4C immediately following the Attachment to this covering letter is submitted in the format as required by Paragraph 4.7B of Chapter 4 of the ASX listing rules.

Yours faithfully,



Raymond Blight
Chief Executive Officer & Chairman

ENDS

For further information, please contact:

Nathan Buzza, Executive Director

Ph: +61 (0) 488862222

Alcidion Group Limited

nathan.buzza@alcidion.com

Ray Blight, Chief Executive Officer

Ph: +61 (08) 8208 4600

Alcidion Group Limited

ray.blight@alcidion.com

About Alcidion

Alcidion Group Limited (ASX: **ALC**) is a publicly listed, innovative health informatics company that specializes in clinical products that improve productivity, safety and efficiency. Alcidion's solutions target key problems for Emergency Rooms, Inpatient Services and Outpatient Departments and are built upon a next generation health informatics platform, which incorporates an intelligent EMR, Clinical Decision Support Engine, Data Integration Capability, Smartforms, Terminology Support and Standards Based Web Services.

Alcidion's focus is on delivering solutions that enable high performance healthcare and which assist clinicians by minimising key clinical risks, tracking patient progress through journeys and improving quality and safety of patient care.

www.alcidion.com

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

ALCIDION GROUP LIMITED

ABN

77 143 142 410

Quarter ended ("current quarter")

31 MARCH 2017

Consolidated statement of cash flows	Curent quarter (March 2017) \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	565	3,403
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(55)	(208)
(d) leased assets	-	-
(e) staff costs	(815)	(2,694)
(f) administration and corporate costs	(213)	(974)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	24	73
1.5 Interest and other costs of finance paid	(0)	(0)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(10)	(20)
1.9 Net cash from / (used in) operating activities	(504)	(419)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter (March 2017) \$A'000	Year to date (9 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
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.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	225	225
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(5)
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	225	220

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	5,924	5,845
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(504)	(419)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	225	220

Consolidated statement of cash flows		Current quarter (March 2017) \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	5,645	5,645

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	535	1,135
5.2	Call deposits	5,110	4,589
5.3	Bank overdrafts	200	200
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,645	5,924

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

(141)

-

Director's wages, superannuation and reimbursements

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

-

-

-

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	200	-
8.2 Credit standby arrangements	405	62
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.		

Loan facilities is an overdraft of \$200,000 provided by CBA at 9.31% secured over assets.

Credit standby arrangements:

- Corporate MasterCard credit cards of \$10,000 provided by CBA at 14.55% secured over assets.
- Pre-approved Equipment loan facility of \$250,000 provided by CBA, interest rate is determined at time of each Equipment loan, secured over assets.
- Corporate Amex credit cards of \$145,000 provided by American Express, interest rate 15%

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(90)
9.4 Leased assets	-
9.5 Staff costs	(900)
9.6 Administration and corporate costs	(300)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(1,290)

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: ...4th April 2017.....

Print name:Duncan Robert Craig.....

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.