

ASX Announcement

31 July 2018

Quarterly Cash Flow Report

Melbourne Australia: Connexion Media Limited ("CXZ") provides the attached Appendix 4C in respect to the Quarter ended 30 June 2018.

CXZ also advises that it expects cash inflows of approximately \$643k in the current September 2018 quarter arising from sales, ATO receipts and an R&D Tax Credit of approximately \$330k.

The Board will ensure the Company is appropriately funded and will raise further equity, where necessary, to fund working capital.

Ends

Queries:

Peter Torre

Company Secretary

E: peter@torrecorporate.com.au

About Connexion Media

Connexion Media specialises in developing and commercialising smart car software apps and services for internet-connected vehicles and mobile devices. The Company is headquartered in Melbourne, Australia and currently has offices in Cambridge and Detroit.

Connexion has two core products in commercialisation, CXZ Telematics and miRoamer. CXZ Telematics is a highly sophisticated smart car solution that allows car fleet managers to manage an entire fleet of vehicles from a mobile phone or computer and deliver cost efficiencies through reduced maintenance costs. CXZ Telematics is able to track a range of real time and historical data including vehicle locations, distance travelled, fuel consumption, battery life, engine performance and absolute and average speeds travelled. It is also able to monitor driver behaviour and instantly send notifications and alarms to vehicle owners and fleet managers.

miRoamer is a next generation internet radio product that allows users to pick up radio stations from broad geographies, including international stations. miRoamer has become the world leader in internet radio technology, delivering a superior understanding of the technical, content and marketing demands of radio manufacturers and car makers alike.

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

Connexion Media Limited

ABN

68 004 240 313

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A	Year to date (12 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers	81,047	1,285,179
1.2 Payments for		
(a) research and development	(33,566)	(292,391)
(b) product manufacturing and operating costs	-	(93,492)
(c) advertising and marketing	(6,635)	(60,447)
(d) leased assets	-	-
(e) staff costs	(133,421)	(562,800)
(f) administration and corporate costs	(154,811)	(1,135,258)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2,430
1.5 Interest and other costs of finance paid	-	(158,291)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other: Tax R&D rebate: Announced to ASX on February 20 th 2018.	-	1,339,455
1.9 Net cash from / (used in) operating activities	-247,387	324,385

Consolidated statement of cash flows		Current quarter \$A	Year to date (12 months) \$A
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	(187)
	(b) businesses (see item 10)	-	-
	(c) investments	-	(22,695)
	(d) intellectual property	(235,602)	(235,602)
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	5,267
	(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	(235,602)	(253,217)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	158,384
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	(332)	(39,174)
3.5	Proceeds from borrowings	-	400,000
3.6	Repayment of borrowings	-	(729,448)
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	(332)	(210,238)

Consolidated statement of cash flows		Current quarter \$A	Year to date (12 months) \$A
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	651,372	367,194
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(247,387)	324,385
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(235,602)	(253,217)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(332)	(210,238)
4.5	Effect of movement in exchange rates on cash held	-	(60,073)
4.6	Cash and cash equivalents at end of quarter	168,051	168,051

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	Previous quarter \$A
5.1	Bank balances	168,051	651,373
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)	168,051	651,373

6. Payments to directors of the entity and their associates

		Current quarter \$A
6.1	Aggregate amount of payments to these parties included in item 1.2	34,813
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	

Payment of Board and Director's Fees

7.	Payments to related entities of the entity and their associates	Current quarter \$A
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	
N/A		

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
8.1	Loan facilities A	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (Cash Advance Facility D. Yalda)	300,000	300,000
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.		
David E Yalda provided cash advance of \$300,000 on 20 January 2013 for working capital to fund proposed acquisition of Mi Media Holdings and Essential Digital Group Pty Ltd. Interest rate is 15% per annum, and has been paid for 12 months in advance as at 27 February 2018.			

9.	Estimated cash outflows for next quarter	\$A
9.1	Research and development	(33,566)
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	(6,635)
9.4	Leased assets	-
9.5	Staff costs	(133,421)
9.6	Administration and corporate costs	(79,811)
9.7	Other:	-
		-
9.8	Total estimated cash outflows	(253,433)

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: 31 July 2018

Print name: Peter Torre

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.