

ASX Announcement

30 April 2018

ASSETOWL QUARTERLY UPDATE AND APPENDIX 4C For the Period ended 31 March 2018

- **AssetOwl signs agreement to launch its property management platform with a large NSW Government Agency via IT services provider AC3**
- **Agreement validates AssetOwl's platform in a new vertical outside retail, supporting its planned expansion into government asset management**
- **Completion of sale of Company's non-core Rum Jungle Mineral Project to Podium Minerals Limited and in-specie capital return to shareholders**
- **Announcement of non-renounceable pro-rata rights offer and shortfall offer to raise approximately \$2.95M**
- **Simon Trevisan appointed Non-Executive Chairman**

Enterprise property management platform provider AssetOwl Limited (ASX: AO1, **AssetOwl** or the **Company**) is pleased to present its Appendix 4C – Quarterly Cash Flow Report for the period ended 31 March 2018 with an update on business progress.

During the quarter, the Company built market validation and interest in its core product offering in additional enterprise property management verticals beyond the Company's initial beachhead in the retail sector. The Company also realised value for shareholders through the divestment of its non-core mineral exploration assets.

Signing of agreement to Service a Large NSW Government Agency via AC3

During the quarter, AssetOwl secured its first commercial contract with a new client in the Government asset management sector. The agreement signed with the Australian Centre for Advanced Computing and Communication Pty Ltd (AC3) will see AssetOwl's Innovative Management platform used as part of AC3's existing managed service offering to a significant asset management agency of the NSW government.

This agreement positions AssetOwl to become key provider of property management solutions to AC3's large and diverse client base, with the parties' first deployment being into the large NSW Government agency covered by this software services agreement.

The NSW Government agency which AssetOwl will commence supporting owns and manages land, buildings and other assets comprising more than 125,000 properties valued at over \$35 billion.

AC3 will deliver a service using AssetOwl's field tools for use by the agency's audit teams on a pay per action fee for use. The platform will help the agency to improve speed and accuracy of the audit process.

The parties anticipate a staged launch, the initial phase of which will see the agency use AssetOwl's software to support its regular inspections of properties across NSW.

Outlook

The signing of the agreement with AC3, the announcement of AssetOwl's partnership with Colliers International (WA) Pty Ltd in December 2017, and the signing of a Software Services agreement with 7-Eleven Stores Pty Ltd in July 2017, puts the Company in a solid position to generate revenue growth and positive momentum in three distinct sectors: Asset Management, Property Management and Retail, across multiple Australian states.

CORPORATE

Completion of Sale of Rum Jungle Mineral Project

In February, the sale of the Company's Rum Jungle Mineral Project to Podium Minerals Limited ('Podium') was completed with the Company receiving consideration of 6,000,000 shares in Podium and 3,000,000 options, each exercisable at \$0.20 each within 30 months of grant (Consideration Securities). The Company then completed an in-specie capital return to Eligible shareholders where shareholders received 13.12 shares and 6.56 options for every 100 AssetOwl shares they own.

Those shareholders from whom the Company acquired AssetOwl Technologies Pty Ltd in 2016 were excluded from the distribution, in accordance with the terms of that transaction.

On 27 February 2018, Podium Minerals Limited was admitted to the ASX (ASX: POD).

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Capital Raising

Following the end of the quarter on 6 April 2018, the Company issued a prospectus for a renounceable pro-rata rights issue to raise approximately \$2.95M (before costs) managed by Patersons Securities Limited. The rights issue enables eligible shareholders to acquire 1 new share for every share held at the Record date, being 11 April 2018, at an issue price of \$0.045 per New Share. The prospectus also provides for the offer of any shortfall under a Shortfall Offer, where any New Shares not subscribed for can be acquired at \$0.045 per New Share.

On 16 April, the Company despatched a prospectus to every eligible shareholder, including an Entitlement and Acceptance form and Shortfall Offer Acceptance form.

The closing date for participation in the offers is 5.00pm (WST) on Wednesday, 2 May 2018. Rights will trade on the ASX until 23 April 2018, and eligible shareholders may apply for New Shares in excess of their entitlement subject to the terms of the prospectus.

The Rights Offer and Shortfall Offer is not underwritten.

The Company is to apply the funds raised to: business development and marketing, supporting expansion into the real estate and government property management verticals; enabling further software development; general working capital requirements and to pay for the costs of the offer.

Board changes

In March, AssetOwl announced the appointment of Simon Trevisan as Non-Executive Chairman, following the retirement of Hon. Shane Stone AC PGDK QC.

Mr Trevisan is Managing Director of Transcontinental Group including Iris Residential, a large property development and investment group, AssetOwl's largest shareholder.

Mr Jack Stone was appointed as an alternate director to Mr Trevisan.

Issue of shares to vendors

In March, the Company issued 5,000,000 fully paid ordinary shares to the vendors from whom the Company acquired AssetOwl Technologies Pty Ltd in December 2016.

As part consideration for the acquisition of AssetOwl Technologies Pty Ltd, the vendors were issued 25,649,319 performance rights over three classes: A, B and C, vesting over the years to 31 December 2017, 31 December 2018 and 31 December 2019 respectively.

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For each class of rights, the share sale and purchase agreement for the acquisition of the Company outlines milestones relating to number of stores, revenue and profit.

For the year ended 31 December 2017, the stores milestone target relating to the Class A performance rights was exceeded and as a result 5,000,000 performance rights vested to the vendors. The remaining 10,000,000 Class A performance rights which did not vest to 31 December 2017 lapsed at this date.

The terms of the performance rights provide that vested performance rights can be settled through the issue of shares or payment of a cash amount per vested right and the directors elected to settle these 5,000,000 vested Class A performance rights via the issue of shares.

*****ENDS*****

For further information, shareholders and media please contact:

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About the AssetOwl business:

AssetOwl is an innovative technology with an enterprise software application, providing real estate owners with one trusted platform for managing their properties remotely.

Combining Geospatial Information Systems (GIS) and Virtual Reality (VR) technologies, AssetOwl has developed an Internal Visualisation System (IVS) as a powerful tool designed specifically for property owners and managers to visualise, question, analyse and interpret data within the four walls of each location and collectively across all locations with their network.

AssetOwl's Internal Visualisation System (IVS) software helps clients and their partners answer questions and solve problems by looking at their data in a way that is quickly understood and easily shared — on a property floor plan 'experienced' through a virtual tour.

AssetOwl empowers clients to improve project efficiency, productivity and accountability, while lowering the cost and risks in delivering projects and change initiatives of all sizes by providing one platform and one source of the truth for all property network information.

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

ASSETOWL LIMITED

ABN

12 122 727 342

Quarter ended ("current quarter")

31 Mar 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities	4	9
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development	(351)	(1,484)
(b) product manufacturing and operating costs	(33)	(102)
(c) advertising and marketing	-	-
(d) leased assets (exploration & evaluation)	(9)	(41)
(e) staff costs	(150)	(517)
(f) administration and corporate costs	(128)	(384)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	8
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes refund (R & D)	-	17
1.7 Government grants and tax incentives (R & D)	-	844
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(667)	(1,653)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(12)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$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	-	(12)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
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	50	50
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	50	50

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	693	1,691
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(667)	(1,653)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(12)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	50	50

Consolidated statement of cash flows		Current quarter \$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	76	76

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	5	42
5.2	Call deposits	71	651
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)	76	693

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
-
-

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

Add notes as necessary for an understanding of the position

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.

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9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

300

9.2 Product manufacturing and operating costs

30

9.3 Advertising and marketing

20

9.4 Leased assets

-

9.5 Staff costs

100

9.6 Administration and corporate costs

50

9.8 Total estimated cash outflows

500

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:
(Director/Company secretary)

Date: ...30 April 2018....

Print name:FLEUR HUDSON.....

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.