

ASX Announcement

31 July 2019

ASSETOWL QUARTERLY UPDATE AND APPENDIX 4C For the Period ended 30 June 2019

- **AssetOwl's development of next-generation property management platform, Inspector360 substantially completed**
- **Inspector360 development under budget and ahead of schedule**
- **Commercial release of Inspector360 this quarter**
- **RE/MAX WA secured as a customer to participate in acceptance trials and promote Inspector360 to its offices nationally**
- **Renounceable Rights Issue raises \$1.37M, before costs.**

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 30 June 2019 with an update on business progress.

AssetOwl provides cloud-based software services for real estate asset management to the residential, retail and government property sectors. During the quarter the Company focused on development of Inspector360, its photo-centric property management platform.

The build out of the product is on schedule, with Inspector360 on track for commercial release in the next month. AssetOwl's team has successfully developed all functionality of the mobile and tablet apps for both Android and iOS devices using a new open source technology from Google, *Flutter*. The Company understands that its Inspector360 will be one of the first major commercial applications of *Flutter* in Australia.

The Company's engineering team built the product for less than half the initial development cost and within less than half the planned timeframe.

AssetOwl will shortly commence implementation and staff training with the Company's initial partners, leading up to the expected start of acceptance trials in early September with the parties that have been working with the Company on the early roll out, including PCR & Inspection Services, The Agency (ASX: AU1) and Attree Real Estate. The Company is pleased to announce that this group will now include a new customer, RE/MAX WA.

After having been involved in early development of Inspector360, RE/MAX WA has confirmed it intends to implement the product for all inspections, subject to the trial period. Once the platform is working in the RE/MAX WA Property Management division, RE/MAX WA intends to promote it to RE/MAX offices nationally.

The Company anticipates finalisation of formal contracts with RE/MAX in the coming weeks.

AssetOwl's first generation of its residential inspection software, InspectorAsset, delivered tenants and owners a more exact record of the condition of residential properties during a tenancy and when tenants move in and out, using virtual reality technology to create an internal view of a property.

AssetOwl's software also empowers the property inspector to record a verbal description of the apartment or house, which is then converted to text and assigned to the standardised report. It also provides for photographs of worn or damaged areas to be linked with commentary, photos and video.

The Company's latest-generation virtual tour software, Inspector360, incorporates 360-degree imagery, video, voice-to-text and hot-spot mapping of floor plans to accurately document property condition reports.

CORPORATE

Rights Issue

In mid-June AssetOwl completed an equity capital raising of \$1,376,091 (before costs) via a pro-rata renounceable rights issue (Rights Offer) and Shortfall offer.

The Rights Offer was made on a 2-for-1 basis, being 1 new fully paid ordinary share in AssetOwl (New Share) for every 1 existing share held, at an issue price of 0.7c per New Share. The Rights Issue was fully underwritten by Patersons Securities.

The proceeds from the Rights Offer support the development and rollout of AssetOwl's Management Platform and the Company's expansion into the residential property management sector, the repayment of debts, the cost of the Rights Offer and for general working capital purposes.

Board Changes

AssetOwl advises that Mr Jack Stone has resigned from his role as Alternate Director for AssetOwl's Chairman Mr Simon Trevisan. Mr Stone served as alternative director of Mr Trevisan since 19 March 2018.

The Board wishes Mr Stone a successful future as he progresses his career and thanks him for his contribution to AssetOwl.

*****ENDS*****

For further information, shareholders and media please contact:

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About the AssetOwl business:

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

Inspector360 is the revolutionary next generation of AssetOwl's photo-centric property management platform, designed to benefit property owners, tenants, agents and managers. It builds on AssetOwl's existing residential inspection software, InspectorAsset, which uses virtual reality technology to create an internal view of a property to assist all stakeholders before, during and at the conclusion of a tenancy.

Inspector360 incorporates 360-degree imagery, video, voice-to-text and hot-spot mapping of floor plans to accurately document property condition reports, significantly boosting the efficiency of the inspection process.

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")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	4	13
1.2 Payments for		
(a) research and development	(211)	(813)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets (exploration & evaluation)	(9)	(81)
(e) staff costs	(214)	(460)
(f) administration and corporate costs	(172)	(437)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	4
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes	-	-
1.7 Government grants and tax incentives (R & D)	-	983
1.8 Other	-	(81)
Business Consolidation		
1.9 Net cash from / (used in) operating activities	(602)	(875)

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

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	1
(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	-	1

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,376	1,376
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	(95)	(95)
3.5 Proceeds from borrowings	-	150
3.6 Repayment of borrowings	(150)	(150)
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	1,131	1,281

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	189	311
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(602)	(875)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	1

4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,131	1,281
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	718	718

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	12	9
5.2	Call deposits	706	180
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)	718	189

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
183
-

The above includes the payment director fees accrued pending the completion of the Company's Renounceable Rights Issue

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
95
-

The above includes settlement of fees accrued from 1 December 2017 pursuant to the Company's Administration Services Agreement with Tribis Pty Ltd, 19 months at \$5,000 per month.

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 Research and development	300
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs (excluding amounts attributed to R&D)	50
9.6 Administration and corporate costs	50
9.8 Total estimated cash outflows	400

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: ...31 July 2019....

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.