

## ASX Announcement

31 January 2018

### ASSETOWL QUARTERLY UPDATE AND APPENDIX 4C For the Period ended 31 December 2017

- Partnership being finalised with leading real estate group Colliers International (WA) Pty Ltd to bring AssetOwl's disruptive technology to the property sector
- Agreement would represent a validation of AssetOwl's business model into a new vertical beyond retail and support its expansion into the multi-billion-dollar real estate management sector
- Pursuing value realisation for shareholders through the divestment of the Rum Jungle mineral exploration project, with shareholders approving the sale to Podium Minerals Limited
- Eligible AssetOwl shareholders to receive 6 million Podium shares and 3 million Podium options as part of the sale
- Shareholders approved the sale at a General Meeting on 8 January 2018

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 December 2017 with an update on business progress.

During the quarter, the Company continued to build market validation and interest in its core product offering, while also working toward value realisation for shareholders through the divestment of its mineral exploration assets.

## Partnership with Colliers International (WA) Pty Ltd

During the quarter, AssetOwl announced its intention to partner with Colliers International (WA) Ltd to provide its innovative management platform to Colliers as a new client in the property management sector.

Colliers is an industry leading global real estate company operating in 66 countries. The group delivers a full range of property management services to real estate owners, occupiers and investors across all sectors worldwide.

AssetOwl plans to provide Colliers with access to the Company's management platform on a pay per action fee basis.

AssetOwl's platform would empower Colliers with one system for easily performing visual inspections for each property from the field. The platform offers powerful reporting and analytical capabilities which would help Colliers to boost the efficiency and accuracy of its residential property inspections.

Subject to the terms of the final agreement, the parties anticipate a staged launch, the first phase of which would see Colliers use AssetOwl's software to support its regular inspections of residential properties in Western Australia. Such a launch would contribute to the Company's revenue growth in FY18.

The Company anticipates finalisation of this agreement in the current quarter, at which point the contract will mark AssetOwl's first commercial deal to provide its management platform to a property sector client. As such, this deal will validate AssetOwl's aspirations to expand into additional enterprise property management verticals beyond its initial beachhead in the retail sector.

AssetOwl Chief Executive Officer, Giuseppe Di Franco, said:

*"In the December quarter, we have focused on building material proof points of the value AssetOwl can add to retail operators by providing visibility through one trusted platform for all their store network information.*

*"As our business scales up in 2018, we look forward to deepening our relationships with new and existing clientele as we continue to boost the efficiency of our clients' store operations and pursue opportunities to monetise the Company's full product suite."*

The Company notes positive recent momentum in trials and pre-implementation with potential customers in several attractive market verticals.

AssetOwl will update investors as these progress to agreements, implementation and revenue.

## **Sale of Rum Jungle Mineral Project**

In November, AssetOwl announced it had entered a conditional binding terms sheet with Weld Range Metals Limited (renamed Podium Minerals Limited in December 2017) for the sale of the Company's Rum Jungle project.

The Rum Jungle Project is a mineral exploration and development project operated by the Company conducted in relation to exploration licence EL26094, located at Batchelor in the Northern Territory. The project area is primarily prospective for gold and uranium and includes the Highlander gold anomaly where gold has been recorded in north-trending quartz veins over a strike exceeding 2,000 metres.

The Company acquired the project prior to its IPO in 2011, and in line with the change in the Company's main business undertaking from mineral exploration to software development and related services, the Company is seeking to realise the Rum Jungle Project for the benefit of its shareholders.

Podium Minerals is an unlisted Australian mineral exploration and resources development company with a focus on platinum group metals, gold and nickel-copper sulphides. Podium Minerals' core projects are located within its mining leases covering the Weld Range Complex in the Mid-West Region of Western Australia. Its portfolio of mineral assets includes exploration licences which are prospective for gold at Mindoolah and Tuckabianna.

Podium Minerals is undertaking an IPO to raise funds to rapidly advance its projects – where \$5.4m has been underwritten by Patersons Securities Limited, in conjunction with its acquisition of the Rum Jungle Project. It is subsequently seeking admission to the ASX in February 2018.

The transaction for the sale of the Rum Jungle Project is conditional upon (among other things) Podium Minerals completing its due diligence enquiries and receipt of conditional approval from ASX for both its admission to the Official List of ASX and for the quotation of its ordinary shares.

The Company is to receive consideration in the form of 6,000,000 fully paid ordinary shares in Podium Minerals and 3,000,000 options, each exercisable at \$0.20 each within 30 months of grant (Consideration Securities).

Eligible AO1 shareholders will receive a total of \$1.2m in Podium Minerals consideration shares at \$0.20 each, with each eligible AO1 shareholder receiving 13 Podium shares and 6.6 Podium options for each 100 AO1 shares they own.

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

The record date for determining a shareholder's entitlement to receive Podium securities via In-Specie Distribution is anticipated as 5pm (WST) on 7 February 2018.

## CORPORATE

### Results of Annual General Meeting

At AssetOwl's Annual General Meeting of Shareholders held on 30 November 2017, all resolutions contained in the Notice of Meeting passed on a show of hands.

### Release of Securities and Performance Rights from Escrow

The following securities and Performance Rights were released from escrow on 23 December 2017:

Type	Number
Ordinary Shares	1,760,963 at an issue price of \$0.20 per share.
Performance Rights	2,275,710 Class A 1,137,855 Class B 477,796 Class C
Options	758,568 exercisable at \$0.25 per option and expiring 31 March 2019

The Performance Rights were issued pursuant to the Share Sale and Purchase Agreement (SSPA) as part of the consideration paid for the acquisition of AssetOwl Technologies Pty Ltd and were approved by Shareholders in December 2016. The vesting of the Performance Rights is dependent upon meeting the milestones set out in the SSPA.

### Performance milestone achievement and issue of equity consideration

In December 2017 the Company advised that AssetOwl had achieved the Year 1 performance milestones for site deployments set out in the SSPA, with approximately double its target number of site deployments. The Year 1 performance milestone targets relating to revenue and net profit before tax were not met due to the speed of commercialisation ramp-up. This result was consistent with disclosure in the Company's Annual Report for the year to 30 June 2017 where the likelihood of Year 1 performance milestones being met was assessed as 33⅓%.

As such, the AssetOwl vendors earned a total of 5,000,000 Class A Performance Rights, which convert into an equivalent number of AssetOwl ordinary shares. As indicated above, 2,275,710 Class A Performance Rights were released from escrow on 23 December 2017. This means that of the 5,000,000 Class A Performance Rights which vest, 758,570 are free from escrow and 4,241,430 remain in escrow until 6 January 2019.

## **Results of General Meeting**

The sale of the Rum Jungle project and associated resolutions was approved by AssetOwl shareholders at a General Meeting held on 8 January 2018.

## **Amended Constitution**

As announced on 11 January 2018, AssetOwl amended its Constitution incorporating an amendment to clause 29 (being the inclusion of clause 29A), relating to reductions of capital and buy backs. This amendment was approved, under Special Resolution 1, by Shareholders at the General Meeting held on 8 January 2018.

**\*\*\*ENDS\*\*\***

## **For further information, shareholders and media please contact:**

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## **About the AssetOwl business:**

AssetOwl is an innovative technology company formed through the combination of the co-founders' experience in the retail and technology industries.

AssetOwl has developed an enterprise software application, providing retailers one trusted platform for all their store network information.

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 retailers to visualise, question, analyse and interpret data within the four walls of each store and collectively across all stores in a retailer's store network.

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

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AssetOwl enables 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 store network information.

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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**

**ASSETOWL LIMITED**

**ABN**

**12 122 727 342**

**Quarter ended ("current quarter")**

**31 December 2017**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>	5	5
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development	(641)	(1,133)
(b) product manufacturing and operating costs	(37)	(69)
(c) advertising and marketing	-	-
(d) leased assets (exploration & evaluation)	(10)	(32)
(e) staff costs	(218)	(367)
(f) administration and corporate costs	(61)	(256)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	7
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes refund (R & D)	-	17
1.7 Government grants and tax incentives (R & D)	844	844
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(116)</b>	<b>(986)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(5)	(12)
(b) businesses (see item 10)	-	-
(c) investments	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.2 Proceeds from disposal of:</b>		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.3 Cash flows from loans to other entities</b>	-	-
<b>2.4 Dividends received (see note 3)</b>	-	-
<b>2.5 Other (provide details if material)</b>	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(5)</b>	<b>(12)</b>

<b>3. Cash flows from financing activities</b>		
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	-	-
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)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	814	1,691
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(116)	(986)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(5)	(12)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>693</b>	<b>814</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	42	58
5.2	Call deposits	651	756
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>693</b>	<b>814</b>

**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

<b>Current quarter \$A'000</b>
55
-

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**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

<b>Current quarter \$A'000</b>
10
-

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8. <b>Financing facilities available</b> <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. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	200
9.2 Product manufacturing and operating costs	30
9.3 Advertising and marketing	20
9.4 Leased assets	-
9.5 Staff costs	80
9.6 Administration and corporate costs	20
<b>9.8 Total estimated cash outflows</b>	<b>350</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	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 January 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.