

**AEERIS LIMITED**

29 October 2021

Quarterly Activities Statement for the period ended 30 September 2021

**Increase in ARR of \$184k on top of gains made in previous quarter  
Successful capital raise improving company position to \$2,677,400**

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**Summary**

- Setting aside solid gains in June, Aeeris added a further \$184k in annual annuity revenue (**ARR**) this quarter. This is usually Aeeris' quietest period. New customers include some of Australia's largest banks and insurers
- Recent severe weather has positively increased business enquiry. An additional Business Development Manager (**BDM**) is being sought to assist in this increased enquiry.
- The Company raised gross proceeds of \$1.5 million by way of a Placement of new fully paid ordinary shares (11,610,000)
- Current cash and cash equivalents of \$2,677,400
- Total Net cash flow was (\$157,384) reflecting an accelerated expenditure of further Research and Development expenditure
- Revenue (\$482,462) lower than forecast with some payments received a few days after the quarter due to a long weekend and working around COVID.
- Investment in digital marketing is delivering strong customer lead generation

**Quarterly Commentary**

Aeeris Limited (ASX:AER) (**Aeeris** or **Company**) is pleased to provide an overview of its quarterly activities for Q2 FY2022.

Customer growth continued with an additional \$184k in ARR added before the end of the quarter.

The quarter ended with the Company successfully raising gross proceeds of \$1.5 million. The Placement was underpinned by existing shareholders with leading micro and nano cap specialist DMX Asset Management to become a substantial shareholder and boutique Investment Manager L39 Capital also participating as a cornerstone investor in the Placement. This leaves the Company in a strong position to execute on its sales and development strategy of new product.

The ending of restrictions within NSW and Victoria has delivered much needed optimism amongst Aeeris' customers. Every day, the media and nature itself, has made the case that mitigation of climate and weather risk needs to be better managed. The continual appeal by regulators also fuels the need to act sooner rather than later.

The independent Reserve Bank of Australia has recently weighed into the debate warning it is a “first-order risk for the financial system”. - RBA deputy governor Guy Debelle (Thu, 14 October 2021 9:03AM: AAP)

The Company now has sufficient resources to effectively engage its prospective users. Aeeris’ unique historical geospatial data can deliver accurate physical risk scores for any location within Australia, in a timely manner.

In response to the availability of this data, and the now recognised gap Aeeris covers within the industry, the Company is producing high resolution event recurrence probabilities based on asset location and the number of extreme weather events. These results can be viewed interactively on the Company’s platform or exported for use with other climate based information pertaining to a client’s assets. In turn, the results can be used for public disclosures, as recommended by the Task Force on Climate-Related Financial Disclosures (TCFD), which states that “Financial markets need clear, comprehensive, high-quality information on the impacts of climate change.”

An article published by the Australian Financial Review on 29 June 2021 (<https://bit.ly/3hK5SeD>) reiterated TCFD’s recommendation with the following: **“lawyers say company directors could be liable for failing to understand and disclose climate risks, could be sued for failing to act on those risks once known, and may be liable for misleading or deceptive conduct for selectively disclosing exposures to climate change”**.

### **Operations**

Multiple hail and thunderstorm events have occurred over the last two weeks. Aeeris’ hail forecasting and API service have proved to be extremely successful with positive customer feed back. With a flow of new enquiry, Aeeris is expanding its service as the storm season progresses.

### **Business Activities and Expenditures**

Payments made to related parties during the quarter were directors’ fees and consultancy expenses. Other expenditures included D&O and general insurance, digital marketing, Climate Risk R&D investment, and approximately \$300k spent on alerting, monitoring and customer support within the quarter.

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### **Direct Enquiry**

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## About Aeeris

Aeeris Limited is a leading geospatial data business. The Company's **Early Warning Network** system and proprietary **GNIS** technology platform ingests and maps vast amounts of live data from multiple sources regarding severe weather, fire, traffic, and other geospatial hazards.

The technology allows us to track and monitor very large numbers of users, assets and operations. Risks are communicated instantly over multiple channels to those that need it, where and how they want it.

Our technology enables Aeeris to provide critical services to our enterprise and government customers:

- Live data, content, alerts and notifications on natural and man-made hazards affecting our clients, including severe weather, fire and traffic conditions, with our products **All Alerts™** and **Situation Room™**
- Pioneering innovative systems and apps to digitally track, monitor, map and protect workers and assets on the move

Our technology solutions provide many benefits to our clients including the ability to:

- Monitor, map and track staff, contractors, assets and operations
- Communicate with multiple staff regarding live safety hazards in real time
- Improve Workplace Health & Safety, and reduce risk and liability
- Manage, mitigate and report on risk
- Improve operational efficiencies, labour scheduling and asset management

Our product offerings solve natural disaster awareness problems and promote personal and employee safety, asset protection, risk management, as well as helping to mitigate the financial impact of adverse events, geospatial hazards, personal injury, workplace safety, security breaches, fraud and inconvenience.

Aeeris is listed on ASX with the ticker code AER

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

AEERIS LIMITED

**ABN**

18 166 705 595

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

30 September 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A</b>	<b>Year to date (3 months) \$A</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	482,462	482,462
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(300,238)	(300,238)
(c) advertising and marketing	(21,920)	(21,920)
(d) leased assets	-	-
(e) staff costs	(134,314)	(134,314)
(f) administration and corporate costs	(132,892)	(132,892)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	71	71
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(36,890)	(36,890)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(13,663)	(13,663)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(157,384)</b>	<b>(157,384)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(4,136)	(4,136)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A	Year to date (3 months) \$A
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(4,136)</b>	<b>(4,136)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,426,958	1,426,958
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(157,384)	(157,384)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,136)	(4,136)

Consolidated statement of cash flows		Current quarter \$A	Year to date (3 months) \$A
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,265,438</b>	<b>1,265,438</b>

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	1,265,438	1,426,958
5.2	Call deposits	-	-
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>1,265,438</b>	<b>1,426,958</b>

**6. Payments to related parties of the entity and their associates**

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A
65,500
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Directors' fees and consultancy expenses.

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-

7.5 **Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

<b>8. Estimated cash available for future operating activities</b>	<b>\$A</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(157,384)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	1,265,438
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	1,265,438
8.5 <b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	8.04

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

## 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.

Date: 29 October 2021 .....

Authorised by: The Board .....

(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.