

AEERIS LIMITED

31 October 2023

Quarterly Activities Statement for the period ended 30 September 2023

Highlights:

- Cashflows from operating activities were \$689,721
- Customer receipts for the quarter were \$666,202
- Revenue for the quarter was \$897,405 (unaudited)
- Cash and cash equivalents at 30 September of \$2.28m

Quarterly Commentary

Aeeris Limited (ASX:AER), leaders in severe weather and natural hazard forecasting, alerting and climate risk reporting, is pleased to provide an overview of its quarterly activities for Q1 FY2024.

Increased expenditure this quarter was primarily due to growth in resourcing (from 13 to 23 skilled personnel over an 18-month period) which bolstered the Company's sales operations in line with the Company's growth strategy to accelerate revenues.

The additional sales expenditure continued to grow the robust sales pipeline during the quarter, with sales primarily for hail and alerting services.

Climatics

Climatics has experienced a pivotal quarter, characterised by both evolutionary updates and customer collaboration with product design. The dedicated development team has undertaken significant enhancements, including architectural rebuilds optimising cost structures and streamlining processes.

Responding to customer feedback, interactive and offline asset and hazard reports have been added to the platform, offering existing users heightened customisation capabilities, including data export to CSV formats. This feature is particularly beneficial for stakeholders in the consulting domain, enabling them to seamlessly relay Climatics branded reports to their clientele, amplifying Climatics' brand visibility.

The spring season is delivering a surge in bushfires. Leveraging the acquisition of fresh datasets, Climatics has expanded its bushfire risk archive to encompass data dating back to 1950. This augmentation is particularly pertinent considering the grim forecast for the east coast, already playing out, ensuring even more precise risk assessments.

Operations

The Spatial Risk Analysis team experienced a particularly active end to the quarter, responding to an uptick in severe weather occurrences and natural hazards including:

- Abnormally heavy rainfall in early July over northern Australia;
- The warmest winter on record nationally, plus a further record-breaking heatwave in September leading to significant bushfire activity; and
- Early seasonal hailstorms in late August over northeast NSW and southeast QLD, which brought localised golf ball sized hail. This was followed by additional hailstorms in eastern NSW towards the end of September.

In addition to addressing these natural events, the Spatial team collaborated on extensive event simulation alongside insurance industry associates. This collaboration further reinforced the Company's esteemed position as Australia's foremost authority on weather and hazard risk.

The IT team continue to upgrade the Geographic Notification Information System (GNIS) with new functionality to improve the alerting processes. Further work was undertaken on SMS sender ID updates in accordance with new government regulations, as well as planning for ML/AI assistance with alerting in the future.

Sales & Marketing

The nature of Aeeris' business inherently ties sales performance to weather and climatic conditions. In the early stages of the quarter, milder weather patterns were prevalent, compared to the historical record. However, this pattern shifted in September with escalating temperatures and prolonged dry spells, which culminated in widespread bushfires. These evolving conditions, in tandem with the Company's enhanced marketing campaigns and active participation in pivotal industry events, have contributed to a robust increase in sales pipeline.

The primary focus for the remainder of the year is on converting this enriched pipeline into new customers while continually filling the top of the pipeline.

Business Activities and Expenditures

Payments made to related parties during the quarter were directors' fees and consultancy expenses. Other abnormal expenditures included hazard data, payroll taxes (annual) and listing fees, amongst other items, totalling approximately \$86,000.

This announcement has been approved and authorised for release by the Board of Aeeris Ltd.

- ENDS -

Direct Enquiry

Kerry Plowright

CEO

Aeeris Limited

k.plowright@aeeris.com

(+61) 02 6674 2711

About Aeeris

Aeeris Limited (ASX: AER) is a leading Environmental Services company specialising in the delivery of weather and climate intelligence through its subsidiaries, Early Warning Network (EWN) and Climatics.

The Company's mission is to excel in early environmental warnings and pioneering hazard reduction technologies, empowering asset owners and managers across diverse industries to proactively mitigate risk and safeguard life. Aeeris unites the strengths of EWN and Climatics to deliver cutting-edge services rooted in innovation and unwavering accuracy.

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 2023

Consolidated statement of cash flows	Current quarter \$	Year to date (3 months) \$
1. Cash flows from operating activities		
1.1 Receipts from customers	666,202	666,202
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(306,345)	(306,345)
(c) advertising and marketing	(17,485)	(17,485)
(d) leased assets	-	-
(e) staff costs	(510,478)	(510,478)
(f) administration and corporate costs	(135,613)	(135,613)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	23,519	23,519
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(11,411)	(11,411)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(12,600)	(12,600)
1.9 Net cash from / (used in) operating activities	(304,211)	(304,211)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$	Year to date (3 months) \$
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)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,581,492	2,581,492
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(304,211)	(304,211)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

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

Consolidated statement of cash flows		Current quarter \$	Year to date (3 months) \$
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,277,281	2,277,281

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 \$	Previous quarter \$
5.1	Bank balances	2,277,281	2,581,492
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)	2,277,281	2,581,492

6.	Payments to related parties of the entity and their associates	Current quarter \$
6.1	Aggregate amount of payments to related parties and their associates included in item 1	104,400
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Directors' fees, consultancy expenses and secretarial fees.</i>		

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

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

8. Estimated cash available for future operating activities	\$
8.1 Net cash from / (used in) operating activities (item 1.9)	(304,211)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,277,281
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	2,277,281
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	7.5
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 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:	
8.6.2 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:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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: 31 October 2023
.....

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.