

18 June 2021

MARKET UPDATE

The Directors advised in their report accompanying the 31 December 2020 half year report that cash funds at 30 June 2021 was expected to be approximately \$11 million, subject to the satisfactory resolution of the remediation process and the settlement of an insurance claim by GoGetta against the Company's insurers.

On 7 April 2021, the Company further announced that the remediation and related costs paid had exceeded the provision made in the accounts at 30 June 2020 by \$1.3 million. At mid - June this excess over the provision is approximately \$2 million and in addition the Company's legal costs in this matter (accounted for outside the provision) are \$530,000 over early estimates, both items having a cash flow impact.

The insurance claim (which has not been recognised in the accounts as a receivable) had been included in cash forecasts, is now not expected to be received by 30 June 2021.

The consequence of the above factors is that the Company now expects cash funds at 30 June 2021 to be approximately \$7 million and believe that this will still be supplemented in due course with proceeds to be received from the insurance claim and GST refunds to be received in August and September. The combination of these is expected to generate an additional \$3 million in cash in the September quarter. However, as previously advised there are uncertainties in respect to the insurance claim, including the timing and extent of the recovery under the claim.

Ends

For further information contact:

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