

AEERIS LIMITED

Quarterly Activities Statement for the period ended 31 December 2021

DECEMBER QUARTER CUSTOMER RECEIPTS INCREASE 30% ON PCP

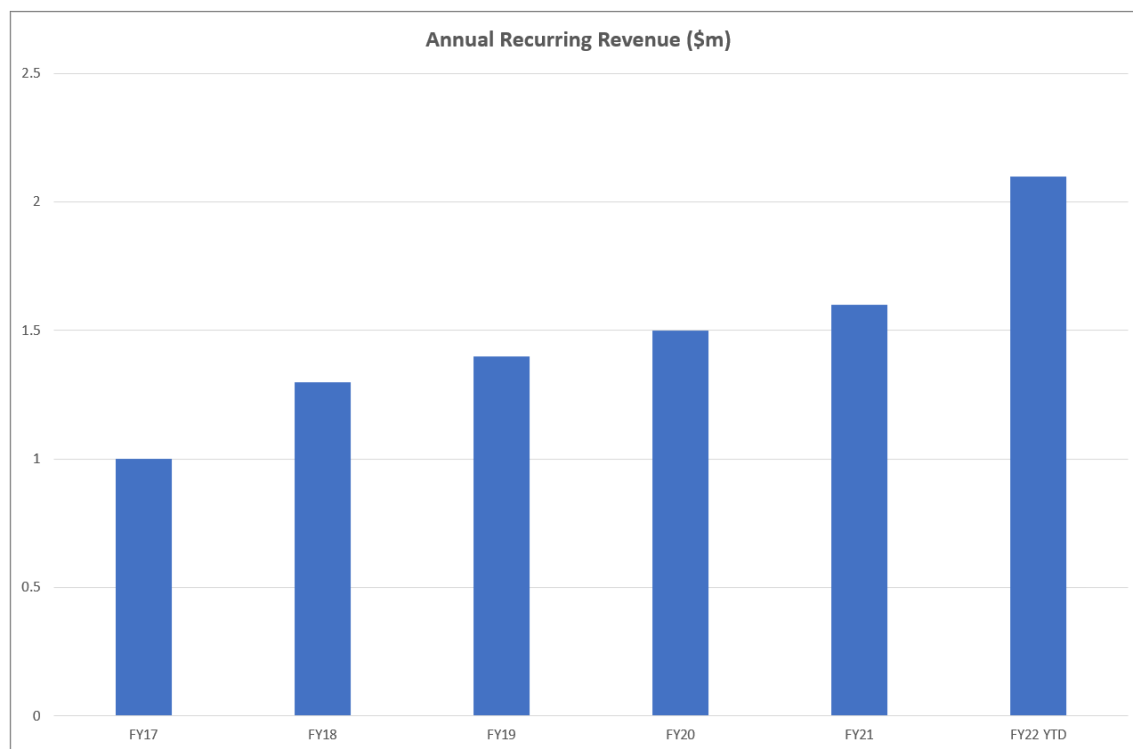
Highlights:

- Receipts from customers \$654,329, growth of 30% on the PCP
- Total receipts including R&D rebate \$1,124,294, growth of 93% on the PCP
- Cash and equivalents at quarter end \$3,094,012, growth of 149% on the PCP
- No financial debt
- Total Net cash flow \$412,281, growth of 256% on the PCP

Quarterly Commentary

Aeeris Limited (**Company**) (ASX:AER) is pleased to provide an overview of its quarterly activities for the second quarter of FY2022 ending 31 December.

The rate of customer acquisition accelerated throughout the period as demonstrated by the improvement in Annual Recurring Revenue (**ARR**) in the graph below. Note the last bar of the graph for FY22 shows the year to date ARR (six months) compared to the full year ARR for earlier periods.



Aeeris is well capitalised with over \$3M in the bank, a growth of 149% on the prior corresponding period (PCP) following a \$1.5M capital raise at \$0.13 per share completed in October 2021.

Revenue growth was driven by increased inbound enquiry and the delivery of new software applications and services including:

- APIs for almost all the Company's alert and forecast products now delivered into a disaster management platform servicing a major insurance company
- Hot weather temperature alerts provided for councils
- Flood alerts supplied to councils which include specific alerts for high risk flash flood areas
- Embargo alerts and service for another large insurance company
- Initial setup for large residential estates southwest of Sydney delivering bushfire and weather alerts to residents. This is a requirement under new planning and development regulations
- Over 1,000 highly targeted, radar-based hail alerts

Operations

A number of extreme weather events in the reporting period accounts for the increased rate of inbound customer enquiry, including:

- **Tornado Outbreak.** On 14 October 2021, a late-night tornado hit the regional New South Wales city of Armidale causing significant damage. Hail larger than 5cm was reported between Sydney and Cowra in the state's central west. Sydney experienced sustained severe storm conditions with strong winds over 90km/h, heavy rainfall and flash flooding.
- **Extreme Hail.** On 19 October 2021, hail, 16cm in diameter fell on Yalboroo north of MacKay, Queensland, setting a new Australian record. The previous record was 14cm, observed in south-east Queensland last year. Aeeris's hail alerting product detects the size of hail within thunderstorms in real-time, accurately communicating the threat to customers.
- **Major East Coast Flooding.** On 10 November 2021, flash flooding, heavy rain and severe thunderstorms battered much of the east coast. Aeeris provides an acute flood monitoring service for government, heavy industry and the insurance sector.
- **Volcanic Explosion and Tsunami.** On 15 January 2022, the Hunga Tonga-Hunga-Ha'apai volcano exploded near Tonga with a force greater than 100 simultaneous Hiroshima bombs. Aeeris subsequently issued a tsunami warning giving multiple customers early warning. This clearly contributed to a more widespread understanding that natural disasters can occur at any time. The imagery of the tsunami impacting places as distant as New Zealand and the west coast of the USA drove this home. Feedback from customers showed an increased appreciation for the Company's products and services.
- **SA Flooding.** Large parts of South Australia were flooded over the past few days. The communities of Roxby Downs and Woomera were cut off from the rest of the

state. The Australian Bureau of Meteorology confirmed that "More than a dozen locations have recorded January records and more than half a dozen have recorded annual rainfall records."

All of the event data mentioned above is mapped into the Company's proprietary GIS and Climatics platform. This enables the analysis, quantification and reporting of physical risk in Australia with unmatched accuracy and confidence.

The Company is looking forward to the release of Climatics V2.0 by March 2022 (previously called the Climate Risk Platform). This is expected to further commercialise the Company's proprietary data and analytics.

Business Activities and Expenditures

Payments made to related parties during the quarter were directors' fees and consultancy expenses. Other notable expenditures of \$164,000 was primarily ASX fees, placement expenses, Climatics (climate risk) R&D and digital marketing.

- ENDS -

Direct Enquiry

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Chairman and CEO

Aeeris Limited

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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")

31 December 2021

Consolidated statement of cash flows	Current quarter \$	Year to date (6 months) \$
1. Cash flows from operating activities		
1.1 Receipts from customers	654,329	1,136,791
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(310,481)	(610,719)
(c) advertising and marketing	(18,416)	(40,336)
(d) leased assets	-	-
(e) staff costs	(262,296)	(396,610)
(f) administration and corporate costs	(97,577)	(230,469)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	183	254
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(11,076)	(47,966)
1.7 Government grants and tax incentives	469,965	469,965
1.8 Other (provide details if material)	(12,350)	(26,013)
1.9 Net cash from / (used in) operating activities	412,281	254,897
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(4,136)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$	Year to date (6 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	-	(4,136)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,509,300	1,509,300
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	(93,007)	(93,007)
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	1,416,293	1,416,293

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,265,438	1,426,958
4.2	Net cash from / (used in) operating activities (item 1.9 above)	412,281	254,897
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(4,136)

Consolidated statement of cash flows		Current quarter \$	Year to date (6 months) \$
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,416,293	1,416,293
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,094,012	3,094,012

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	3,094,012	1,265,438
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)	3,094,012	1,265,438

6.	Payments to related parties of the entity and their associates	Current quarter \$A
6.1	Aggregate amount of payments to related parties and their associates included in item 1	65,500
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <p>Directors' fees and consultancy expenses.</p>		

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

7. Financing facilities	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>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	\$A
8.1 Net cash from / (used in) operating activities (item 1.9)	412,281
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,094,012
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	3,094,012
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	7.50
<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: 28 January 2022

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.