

Energy Technologies Limited 1QFY22 Quarterly Activities Report and Appendix 4C

Key highlights

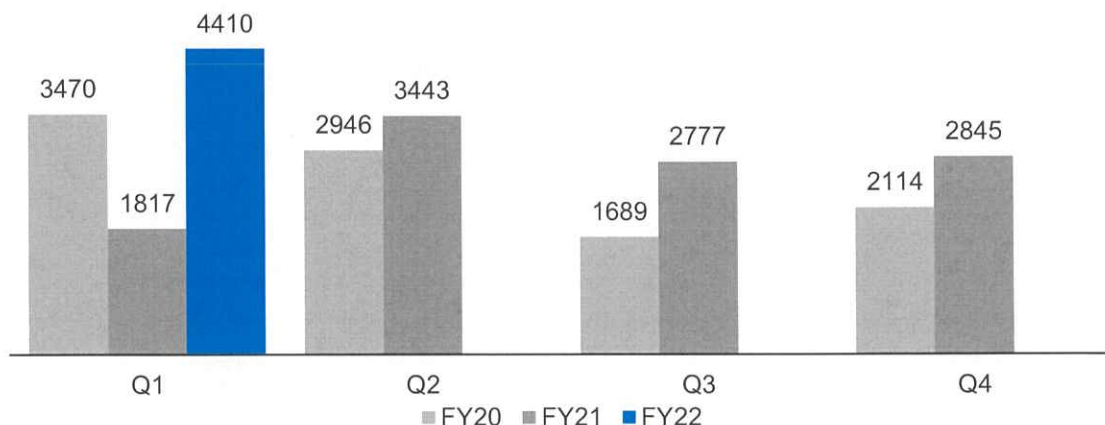
- Achieved quarterly cash receipts of A\$4.4m, up 142.7% on the Previous Corresponding Period (PCP)
- Achieved quarterly revenue of A\$3.58m, up 84.3% on the Previous Corresponding Period (PCP)
- Launched an \$A11m Entitlement issue which has subsequently settled

Energy Technologies Limited (ASX:EGY or "the Company"), a 100% owner of Bambach Wire and Cables Pty Ltd (Bambach) which manufactures low voltage copper insulated cables, is pleased to release its Quarterly Activities Report and Appendix 4C Quarterly Cash Flow Report for the period ended 30 September 2021 ("1Q FY22").

During the quarter, EGY experienced an increase in both Sales and Cash Receipts against PCP. This was due, in part, to the access the company had to further working capital during the quarter, as disclosed on 30 July 2021. While the East Coast of Australia was in lockdown, and specifically construction which affected everyone in the industry, the company is pleased with the result through these difficult times.

As the business has demonstrated, there is a strong opportunity in the industry and given the early success, the company launched an \$A11m Entitlement issue on the 20th of September 2021. This was successfully completed on the 14th of October 2021.

Figure 1: EGY Quarterly Cash Receipts (A\$'000)



Bambach CEO, Alf Chown said, "Bambach has been handed an opportunity through the support of its shareholders at a time where it has the best chance of capitalising on the support that the economy is giving the industry. Post the capital raise, and the current re-structuring, we are ready to capitalise on these opportunities".

ASX Listing Rule 4.7C.3

In accordance with ASX Listing Rule 4.7C, payments made to related parties included in item 6.1 of the Appendix 4C incorporate director's fees and salary.

– END –

About Energy Technologies

Energy Technologies Limited (ABN 38 002 679 469) has a 100% ownership of Bambach Wire and Cables Pty Ltd, a manufacturer of low voltage copper insulated cables. Learn more about Energy Technologies at www.energytechnologies.com.au.

website: www.energytechnologies.com.au

For more information, please contact:

General enquiries

Corporate Communications

Mr. Gregory Knoke

Company Secretary

Greg.knoke@energytechnologies.com.au

This announcement is authorised by Energy Technologies Limited's Board of Directors

Appendix 4C

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

Name of entity

ENERGY TECHNOLOGIES LIMITED

ABN

38 002 679 469

Quarter ended ("current quarter")

30 SEPTEMBER 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	4,411	4,411
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(3,972)	(3,972)
	(c) advertising and marketing	(18)	(18)
	(d) leased assets	(22)	(22)
	(e) staff costs	(988)	(988)
	(f) administration and corporate costs	(358)	(358)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(260)	(260)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Reserves)	-	-
1.8	Other (relocation cost)	-	-
1.9	Net cash from / (used in) operating activities	(1,207)	(1,207)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(43)	(43)
	(d) investments	-	-

Appendix 4C

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
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 (Purchase of Intangible assets)	-	-
2.6	Net cash from / (used in) investing activities	(43)	(43)
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	1,417	1,417
3.6	Repayment of borrowings	(172)	(172)
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	1,245	1,245
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	123	123
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,207)	(1,207)

Appendix 4C

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(43)	(43)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,245	1,245
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	118	118

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'000	Previous quarter \$A'000
5.1	Bank balances	118	118
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)	118	118

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	218
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		

6.1 \$49K Director's Fee and \$169 K Salary

Appendix 4C

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

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	5,400	4,918
7.2	Credit standby arrangements		
7.3	Other (please specify)	4,117	4,117
7.4	Total financing facilities	9,517	9,035
7.5	Unused financing facilities available at quarter end		482
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. 7.1: Secured Debtor Finance Facility, lender Grow Finance Pty Ltd, with a limit of \$1,400,000. Interest is charged on the facility at rate of the base rate, currently 6.59% and margin rate is 2.14%. Balance drawn at end of quarter \$1,218,597. No maturity Date. 7.1 Secured Trade Finance Facility, lender Grow Finance Pty Ltd, with a limit of \$4,000,000. Term Charges 12% pa. Balance drawn at end of quarter \$ 3,699,079. No maturity date. 7.3: Hire purchase and finance lease liabilities secured by the underlying assets \$312,284. Lender: Various financiers. Interest Rates varies between 4.90% to 12.50% per annum. 7.3 Secured Loan from director for \$500,000. Interest rate 12% per annum. This loan has since been repaid in October 2021 7.3 Other unsecured loan \$910,000. Interest rate 12% per annum. The loan has since been repaid in October 2021 7.3 Secured Convertible Note: \$520,000, interest rate 12% per annum. This loan has since been repaid in October 2021 7.3 Secured Convertible Note: \$1,300,000, interest rate 12% per annum. This loan has since been repaid in October 2021 7.3 Secured Convertible Note: \$575,000, interest rate 12% per annum. This loan has since been repaid in October 2021		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,207)
8.2	Cash and cash equivalents at quarter end (item 4.6)	118
8.3	Unused finance facilities available at quarter end (item 7.5)	482
8.4	Total available funding (item 8.2 + item 8.3)	600
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.50
	<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: Yes

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: On 20 September 2021 the company announced an ~\$11m Entitlement issue which in part was to satisfy the repayment of debt obligations and to provide subsequent working capital facility for ongoing operations. This has, subsequent to the end of the quarter, now been settled as disclosed on 14 October 2021

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: Yes, as per 8.6.2

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.

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: 27 October 2021

Authorised by: EGY BOARD OF DIRECTORS.....
(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.