

ASX: TTL  
30 January 2018



## TRANSCENDENCE TECHNOLOGIES LIMITED DECEMBER 2017 QUARTERLY ACTIVITIES REPORT

The Board of Transcendence Technologies Limited ('Transcendence' or 'the Company') provides the following report on its activities and operations for the quarter ended 31 December 2017.

### E-Collate

The Company is currently developing a product (**E-Collate**) for use in the individual Self-Managed Superannuation Funds (**SMSF**) industry. The SMSF industry alone controls over \$500 billion in assets and is a sector of the wider heavily regulated super fund industry which holds over \$2 trillion in assets.

E-Collate is an innovative product for general document aggregation to streamline the administration of individual Self-Managed Superannuation Funds. E-Collate utilises unique proprietary software and interfaces to enable rapid arrangement, secure storage and efficient export of compliance sensitive documentation.

E-Collate's web platform now has all required functionality for the end user to upload, manage and export document collections for their SMSF accounting and audit service providers (**SMSF Providers**).

Work carried out during the reporting quarter includes:

- **Preparation of streamlined document request system**  
Extensive works have been conducted to automate bulk request and handover of specific documents between users of the E-Collate platform. This major feature will undergo further testing and improvement over the following quarter as part of collaboration with partners and users.
- **Customisation of E-Collate for legal industry**  
General market engagement and software configuration works were conducted early in the quarter for provision of E-Collate for the legal industry.
- **Field Trials Ongoing**  
The current release version of the E-Collate system is currently scheduled for ongoing testing as part of the Pilot Program. Currently a 3GB quota of cloud storage per user is in place and sign-up & operation of the platform is fully self-service. The Company is encouraging prospective users to contact [info@e-collate.com.au](mailto:info@e-collate.com.au) for access.

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The Board will continue to review the progress of the Pilot Program before authorising transition of E-Collate to a full scale commercial offering.

## PrimeX

During the quarter, the Company signed a Collaboration Agreement ("**Agreement**") with Prime X Connect Pty Ltd ("**PrimeX**").

Transcendence's E-Collate solution provides a cloud-based service which enables customers to upload, arrange and manage a range of compliance documentation. PrimeX is a digital marketplace for wholesale red meat that connects International buyers and sellers so they can negotiate and trade securely and efficiently.

The respective boards of Transcendence and PrimeX believe that technology synergies may exist and have agreed to explore how E-Collate software can be used to provide a more efficient workflow. E-Collate's self-monitoring of document collection automates the request for and collection of documents at each stage of order processing to streamline the creation, management and fulfilment of orders.

The Agreement will see both companies work together to evaluate the feasibility of integrating both platforms and the estimated cost should the project move to a commercial rollout.

As part of the Collaboration Agreement, Transcendence has invested \$200,000 towards the initial project assessment by way of subscription to an unsecured convertible note (**Convertible Note**) issued by PrimeX. The Company shall subscribe for 2000 Convertible Notes, the principal terms of which are summarised in the announcement released to ASX on 20 November 2017.

## Corporate

The Company held its Annual General Meeting of shareholders on 22 November 2017. All resolutions put to the meeting were passed on a show of hands.

At the end of the quarter, the Company had cash reserves of \$1.996 million. The Appendix 4C report attached to this report contains the Company's cash flow statement for the quarter.

*- Ends -*

For and on behalf of the Board,



**Sarah Smith**  
Company Secretary

## Appendix 4C

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

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Transcendence Technologies Limited

**ABN**

57 096 781 716

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

31 December 2017

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(11)	(34)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(24)	(47)
	(d) leased assets	-	-
	(e) staff costs	(33)	(81)
	(f) administration and corporate costs	(55)	(190)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	25	26
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(98)</b>	<b>(326)</b>
1.2(e)	Staff costs include the salary of the Chief Executive Officer of the Company who is predominately working on the development of the software.		

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	(200)	(200)
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>(200)</b>	<b>(200)</b>
2.3	As part of its Collaboration Agreement with PrimeX Connect, TTL has invested \$200,000 by way of subscription to an unsecured convertible note issued by PrimeX. The Company paid the convertible note funds in November.		

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from issue of options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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 quarter/year to date	2,294	2,522
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(98)	(326)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(200)	(200)
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 quarter</b>	<b>1,996</b>	<b>1,996</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,996	2,294
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>1,996</b>	<b>2,294</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	(54)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
6.1	Fees paid to Directors and/or Director related entities	\$27,000
	Company secretarial and financial management fees paid to a Director related entity	\$23,625
	Legal fees paid to a Director related entity	\$3,812

<b>7.</b>	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

<b>8.</b>	<b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

<b>9.</b>	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Research and development	(30)
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	(30)
9.4	Leased assets	-
9.5	Staff costs	(30)
9.6	Administration and corporate costs	(60)
9.7	Other (provide details if material)	-
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>(150)</b>

<b>10.</b>	<b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
10.1	Name of entity	N/A	N/A
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

+ See chapter 19 for defined terms

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### 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.



Sign here:                      Company Secretary

Date: 30 January 2018

Print name:      Sarah Smith

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.