



31 January 2022

Companies Announcements Office
ASX Limited
10th Floor, 20 Bridge Street
SYDNEY NSW 2000

DECEMBER 2021 QUARTER (“QUARTER”) OPERATIONS REPORT

On 17 November the Company advised it had completed an investment of \$2,271,450 in investee Advent Energy Pty Ltd (Advent) under Advent’s Offer Information Statement that took BPH’s direct shareholding in Advent to 36.1%.

The Company held its AGM on 29 November. All resolutions were passed on a poll.

On 30 November 200,000 share options with an exercise price of \$0.20 expired unexercised.

On 7 December the Company requested a Trading Halt in accordance with ASX Listing Rule 17.1 pending an announcement to be made by the Company with respect to the participation of Advent in a Farm Out Agreement. The Company’s shares were placed in Voluntary Suspension on 9 December at the request of the Company. The Voluntary Suspension was extended to 7 February 2022.

Significant activities by the Company’s investees’ during the December 2021 quarter were as follows:

Advent Energy Pty Ltd (“Advent”)

A Letter of Intent was issued by Advent to Weatherford Australia Pty Ltd for the provision of Liner Hanger & Expandable Equipment for the upcoming Seablue-1 exploration well. In addition, Calls for Tender were issued by Advent for the provision of Drilling Fluids & Solids Control Equipment, Materials and Services, and for the provision of Directional Drilling, Measurement While Drilling and Logging While Drilling.

On 16 December the Company advised that the Prime Minister of Australia, Scott Morrison, had announced that the Federal Government would refuse the joint venture’s applications to extend the PEP 11 Permit for gas exploration in the offshore Sydney Basin. Permit participants Advent and Bounty Oil and Gas (ASX: BUY) have now received official notification of refusal from the National Offshore Petroleum Title Authority (NOPTA) and have lodged a submission seeking a review of this decision.

PEP11 interests are: Advent Energy 85 %
Bounty Oil and Gas 15%

On 30 December 2020 Advent lodged an Offer Information Statement (OIS) with ASIC for a non-renounceable entitlement issue of two (2) Shares for every three (3) shares held at an issue price of \$0.05 (5 cents) per Share to raise up to \$6,525,108, further amended by a Supplementary OIS dated 30 June 2021 and a Second Supplementary OIS dated 20 October 2021. The Offer was partially underwritten by related party Grandbridge Securities Pty Ltd (ABN 84 087 432 353) (AFSL 241057) up to \$2,271,450 and sub-underwritten by BPH up to \$1,445,710. In addition, BPH agreed to sub-underwrite up to an additional \$825,740 being a total amount of up to \$2,271,450. The total amount raised to date by Advent under this OIS is \$2,507,575 including the investment of \$2,271,450 by BPH as noted above.

Note post quarter end

Advent Energy's 100% subsidiary Onshore Energy ("Onshore") made an application for suspension and extension of the permit conditions in EP386 which was not accepted by the Department (DMIRS). Onshore sought a review of the decision by the Minister of Resources who responded setting out a course of action in relation to that decision which Onshore is following. Onshore Energy Pty Ltd lodged an appeal against this decision with the State Administrative Tribunal (SAT). The matter will now be referred to the WA Supreme Court.

Cortical Dynamics Limited ("Cortical")

There were no significant events reported by Cortical during the quarter.

Item 1 and 2 details of payments to / receipts from related parties (Appendix 4C)

Line 6.1: receipt of a \$75,000 sub underwriting fee from Grandbridge Securities Ltd less \$19,000 paid to a director as remuneration and net \$21,000 fees paid to Grandbridge Limited.

Line 6.2: An investment of \$2,272,000 in Advent Energy Limited less repayment of loans of \$1,005,000 from the Advent group of companies, plus \$9,000 lent to Molecular Discovery Systems Limited.

Authorised by



David Breeze
Chairman

Appendix 4C

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

Name of entity

BPH ENERGY LIMITED

ABN

41 095 912 002

Quarter ended ("current quarter")

DECEMBER 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	75	75
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(19)	(38)
(f) administration and corporate costs	(66)	(228)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (settlement of ex-directors' fees)	-	(264)
1.9 Net cash from / (used in) operating activities	(10)	(455)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments	(2,291)	(2,561)
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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	956	503
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(1,335)	(2,058)

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	9,005	10,173
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(10)	(455)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,335)	(2,058)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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	7,660	7,660

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	7,660	9,005
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)	7,660	9,005

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of receipts from / (payments to) related parties and their associates included in item 1	35
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(1,276)
<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>		

7. Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	105	105
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	105	105
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. <div style="border: 1px solid black; padding: 5px;"> The facilities shown above are owing to Grandbridge Limited (including \$88,000 owing by a BPH subsidiary). The balance is unsecured and interest free. </div>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(10)
8.2 Cash and cash equivalents at quarter end (item 4.6)	7,660
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	7,660
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	766
<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? <div style="border: 1px solid black; padding: 5px; min-height: 30px;"> Answer: </div>	
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? <div style="border: 1px solid black; padding: 5px; min-height: 30px;"> Answer: </div>	
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? <div style="border: 1px solid black; padding: 5px; min-height: 30px;"> Answer: </div>	
<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 January 2022

Authorised by: David Breeze (Director)
(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.