

1 May 2020

CORPORATE UPDATE – NUMBER 9 – Fully Franked Dividend May 2020

The Interim Cash Distribution (May 2020) is Determined as being \$455,000 to be paid as Fully Franked Dividends at \$0.00262/ share.

The Board has also determined there will be a Final Cash Distribution for the 2020 Financial Year of \$587,000 in December.

Distribution to Shareholders in May 2020

- In determining to pay a distribution the Board considered: the ongoing operations of the Company and its current cash position; a cash-flow forecast for the 30 September 2020 financial year; the Company's minimum dividend distribution policy; the Company's contractual obligations including repayment of a working capital loan and associated covenants; and the likelihood of a continuation of 'business as usual' conditions.
- Following a review of the management accounts for the Half Year ending 31 March 2020, and subject to a review by auditors, the Board has made a determination to distribute \$455,000 to Shareholders as Fully Franked Dividends (FFDs) **on or about 14 May 2020**, and that **the Record Date will be 7 May 2020**.
- In 2019 the Company distributed \$521,000 in May and \$521,000 in December. These distributions were a combination of FFDs and Returns of Capital (ROC).
- Shareholders would be aware that, subject to business as usual and the Dividend Policy, in December 2019 the Directors had determined to make a similar distribution in May 2020.
 - The review of the March 2020 Half Year accounts revealed that while the Company cash and balance sheet positions supported such a distribution the Retained Earnings position only allowed for a distribution of Dividends of \$455,000 meaning that to distribute \$521,000 a Return of Capital of \$66,000 would be required.
 - Given the costs associated with holding a General Meeting to obtain shareholder approval the return capital the Board determined the cash would be held over until the December distribution.

Distribution to Shareholders in December 2020 and General

- Subject to business as usual and consideration of the Full Year Accounts for the year ending 30 September 2020 the Directors have determined that there will be a cash distribution to shareholders of \$587,000 (\$0.00338/share) **on or about 23 December 2020** and that **the Record date will be 16 December 2020**.
- The Half Year accounts are currently being reviewed by the auditors and the Company will be publishing these, along with an update on operational activities and corporate activity liquidity in the trading of shares, later this month.

Yours faithfully



Anthony Fitzgerald
Managing Director and Company Secretary