



Date: 08 November 2023

Quarterly Report

ASX Announcement

ABN 11 124 426 339

Level 3, 2-4 Ross Place, South
Melbourne, VIC 3205

P: +61 (3) 9673 9690

E: corporate@purifloh.com

www.purifloh.com

Operation Report for Quarter Ended 30 September 2023

During the quarter Purifloh ("the Company") has focused its R&D efforts towards PFAS removal:

R&D Activities:

1. PFAS (Per- and polyfluoroalkyl substances) Internal testing proves successful

During the previous quarter, the had company initiated a significant project by setting up a lab-scale water testing facility within Co-Labs, Brunswick. This facility was created to streamline the optimization of the PFAS removal system using the core Free Radical Generator ("FRG") technology. Following the facility's establishment, the Company launched an extensive testing and validation process, with some of the tests subject to independent verification by a laboratory accredited by the National Association of Testing Authorities (NATA) to ensure the credibility and reliability of the findings.

Key Findings and Implications:

The outcomes from these tests are encouraging and offer significant promise for the field of water treatment, particularly for novel chemical contaminants:

Broad Concentration Range Capabilities: The FRG (Free Radical Generator) system has demonstrated remarkable versatility by consistently removing PFAS and PFOS compounds from water. The system's effectiveness spans a broad range of concentrations, from parts per trillion (ppt) to several hundred parts per million (ppm), providing versatile solutions to water contamination challenges.

Preservation of Compound Integrity Assurance: A notable advantage the novel water treatment system is its ability to avoid the conversion of larger PFAS compounds into smaller, potentially more harmful chains. This feature ensures that the treatment process does not inadvertently worsen the situation, setting the FRG apart from many oxidation-based systems.

Economic Viability Prospects: Preliminary results indicate that optimization of the treatment time can make an FRG-based commercial system economically viable. This represents a significant step toward the practical implementation of the technology on a broader scale, addressing real-world water treatment challenges effectively.

The Company views these findings as a testament to the capabilities of the FRG technology and a harbinger of positive changes in the realm of PFAS removal.

Additional activities:

Agriculture

While the company has focused on PFAS removal, it has also made significant strides in the agriculture sector during this quarter. The company is currently in the process of developing a comprehensive food preservation business plan using the FRG. The basis for this plan lies in two crucial aspects:

Ethylene Removal: The company's FRG technology has shown promise in ethylene removal during storage and transportation. Ethylene is a key chemical involved in the ripening of produce, and its removal can significantly extend the shelf life of fruits and vegetables.

Microbe Destruction: The company's FRG is equally effective in destroying airborne and surface microbes. When combined with ethylene removal, this dual-action approach has the potential to significantly extend the shelf life of produce, providing a sustainable solution for food preservation.

Partnerships and commercialization:

Water Treatment with Osmoflo – Pursuant to the MoU signed by the parties in August, Osmoflo has proposed a pilot treatment system for deployment in the United States, designed to assess the commercial viability of a large-scale PFAS treatment system that utilizes Reverse Osmosis for concentration followed by FRG water treatment for the treatment of the reject water.

The company continues to pursue other strategic partnerships for the marketing, installation, and maintenance of the ACERT and Air Purifier products, as well as partnership opportunities for manufacturing and distribution. Efforts on this are being pursued via conferences, trade shows and exhibitions that occurred in and around the greater Melbourne area.

Corporate

The Company has also been suspended from trading due to the non-lodgement of Appendix 4G's. These have been provided to the ASX for review.

The Company has provided a submission to the ASX in respect of Listing Rule 12.1. and has requested the ASX to allow for re-listing.

Comment on Appendix 4C – Quarterly Cashflow Report

- The Company notes that it has continued to operate on funds drawn down from its Dilato facility. It has also continued to run the business with heavily reduced expenditures.
- The Company drew down an additional \$50,000 only during the quarter and retains a facility through Dilato of \$2.151M.
- Funds spent during the quarter were mainly on corporate costs and fees for parties working within the Company.

This ASX announcement was authorized and approved by the Chairman of Purifloh Limited.

End

For further information:

**Carl Le Souef (Director)
Melbourne, Australia
+ 613 9673 9673**

Appendix 4C

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

Name of entity

Purifloh Limited

ABN

11 124 426 339

Quarter ended ("current quarter")

30 September 2023

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		
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs		
(f) administration and corporate costs	(50)	(50)
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 (provide details if material)		
1.9 Net cash from / (used in) operating activities	(50)	(50)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

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

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	50	50
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	50	50

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	9	9
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(50)	(50)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	50	50
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	9	9

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	9	9
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)	9	9

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	
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>		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	3,000	(850)
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	3,000	(850)
7.5 Unused financing facilities available at quarter end		2,150
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'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(50)
8.2 Cash and cash equivalents at quarter end (item 4.6)	9
8.3 Unused finance facilities available at quarter end (item 7.5)	2,150
8.4 Total available funding (item 8.2 + item 8.3)	2,159
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	43.18
<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:31/10/2023.....

Authorised by:Carl Le Souef.....
(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.