

28th April, 2017: OtherLevels Holdings Limited (ASX: OLV) (OtherLevels) has today released its Appendix 4C for the quarter ended 31 March 2017.

- Cash receipts from customers of \$1,050,000 for the quarter, compared to \$978,000 for the prior corresponding period.
- Continued improving sales activity for the quarter, with \$1,370,000 in customer invoicing, plus a large order of \$400,000 signed in the first few days of April 2017.
- Operating and investing costs were \$1,835,000, compared to \$2,509,000 for the prior corresponding period. Of this amount operating costs for research, development, staff, administration and corporate costs represented \$1,480,000.
- Timing of receivables meant that cash on hand as at the end of March was \$220,000. In addition, approximately \$1,200,000 in receivables is due by the end of April 2017.
- The successful execution and maintenance of cost reduction strategies has continued, in support of the goal of achieving positive operating cash in the second half of CY2017.
- Current period working capital will be satisfied by cash on hand plus the Director's loan facility. In addition discussions with a number of major shareholders has indicated interest in further support, if required.

The Company's Board and management remain absolutely focused upon successfully monetising OtherLevels' valuable proprietary smart messaging platform in global markets, and will continue to focus on sales, maintaining reduced operational costs and the goal of achieving positive operational cash flow.

- ENDS -

Contacts

Brendan O'Kane

Managing Director and CEO
brendan.okane@otherlevels.com

Andrew Ritter

CFO & Company Secretary
andrew.ritter@otherlevels.com

About OtherLevels

OtherLevels is a leading second-generation digital marketing platform with offices in San Francisco, London, Brisbane and Melbourne. OtherLevels is at the forefront of the enterprise marketing transformation being driven by the massive shift to mobile.

The OtherLevels digital marketing platform enables marketers to engage and retain their audience across desktop, mobile web and apps. For more information, please visit <http://otherlevels.com>, OtherLevels Holdings Limited ACN 603 987 266.

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

OtherLevels Holdings Limited

ABN

88 603 987 266

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,050	2,671
1.2 Payments for		
(a) research and development	(165)	(497)
(b) staff costs	(639)	(2,849)
(c) administration and corporate costs	(676)	(2,578)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	5
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	-	799
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(429)	(2,449)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(2)	(7)
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property (software development)	(353)	(1,081)
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(b) businesses (see item 10)		
	(c) investments		
	(d) intellectual property		
	(e) 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	(355)	(1,088)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	1,100
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(160)
3.5	Proceeds from borrowings	50	500
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	1,440

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	954	2,317
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(429)	(2,449)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(355)	(1,088)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	50	1,440
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	220	220

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	220	954
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)	220	954

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter \$A'000
79
-

Director fees along with CEO & Managing Director employment agreement with Mr Brendan O'Kane.

7. Payments to related entities of the entity and their associates

- 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

Current quarter \$A'000

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	800	500
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.		

Loan facility with Brendan O'Kane and Brian Mitchell, directors of OtherLevels Holdings Limited. Interest rate is 12% per annum, and the loan is unsecured.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(165)
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	(801)
9.6 Administration and corporate costs	(599)
9.7 Investing cash outflows - Plant & equipment	(3)
- Software development	(345)
9.8 Total estimated cash outflows	(1,913)

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

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: 28 April 2017

Print name: Andrew Ritter

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.
4. Payments to employees totalled \$1.16 million, comprising of research & development (1.2(a) - \$165k), staff costs (1.2(b) - \$639k) and software development (2.1(d) - \$353k). The allocation between these categories may vary from quarter to quarter, depending on the activities undertaken by employees.
5. As advised to the market on the 3rd November 2016, a loan facility of \$0.8 million was put in place from Mr Brian Mitchell and Mr Brendan O'Kane, directors of OtherLevels Holdings Limited. \$500k of this facility has been drawn as at the end of this quarter.