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ASX Announcement – 31 January 2024

2Q24 QUARTERLY ACTIVITIES REPORT & APPENDIX 4C

Quarter Highlights

NSX Limited:

- The Company is in a trading halt pending the announcement of a capital raise.

National Stock Exchange:

- Difficult market conditions during the period for listings, however the start of 2024 has seen a growing level of enquiry from potential issuers.

Sydney, NSW – NSX Limited (ASX:NSX), (“the Company”), is pleased to provide its Activities Report and ASX Appendix 4C Cashflow Statement for the period ended 31 December 2023 (2Q24).

Group Cash Flow Activities Report

- Cash at the end of the quarter was \$1.222 million (with \$0.212 million restricted).
- During the quarter \$43K in cash receipts were received from customers with the majority of annual operating cash inflows received in the September quarter.
- Cash payments for administration costs for the quarter were \$651K, which is an increase of \$30K when compared with September quarter (\$621K). Administration expenses in the December quarter include significant payments made for:
 - Payment to NASDAQ OMX \$237K for trading engine maintenance;
 - Payment to Nexon Asia Pacific Pty Ltd \$79K for IT services;
- Cash payments to staff and the Board (staff costs) for the period were \$366K, which is a decrease of \$68K when compared with September quarter (\$434K). This is primarily due to the timing of PAYG payments to the ATO.

Quarterly Business Activities Report

NSX Limited Corporate Activities

- Related party payments totalled \$146K which includes Directors' fees paid in the quarter of \$95k and payment to Authenticate of \$51K.

KSA Mining and Minerals Exchange Activities

On 13 October 2022 the Company announced that Ajlan & Bros Mining Co., Ltd. and NSX Limited, had signed a Term Sheet for a Joint Venture Agreement for the purpose of establishing the Kingdom of Saudi Arabia Metal and Mining Exchange.

In summary the following key points are of note during the period:

- Saudi Arabia are undertaking reviews for the introduction of competition in the market.
- Before the JV agreement can be executed the parties are awaiting the completion of that review.
- Due to ongoing conditions in the Middle East and regulatory priorities, we expect to receive further updates on the progress of the proposed venture late in the first quarter of 2024.

ClearPay Joint Venture Activities

- The Company continues to review licensing options for the Joint Venture.

National Stock Exchange Activities

- The activities of the Company's wholly owned subsidiary, National Stock Exchange of Australia ("NSXA"), involved business as usual processing of new admission suitability for listing applications and market operations.
- NSXA continues to engage with ASIC concerning the changes to the rules for Market Integrity rules requirements.
- The market environment for new listings continues to be challenging including increased competition, availability of funds to Issuers for public offerings and general economic conditions.
- NSXA receives enquiries and suitability for listing submissions and these activities can take time to progress depending on the applicant and the documentation submitted until the issuer is ready for admission and quotation of their securities.
- The NSXA continues to position itself as the venture and emerging companies exchange, creating a clear differentiation from other Australian markets and marketing to issuer advisers and relevant capital raising groups.

Authorised by the Board of Directors

Appendix 4C

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

Name of entity

NSX Limited

ABN

33 089 447 058

Quarter ended ("current quarter")

31 December 2023

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	43	1,160
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(2)	(46)
(d) leased assets	(49)	(103)
(e) staff costs	(366)	(800)
(f) administration and corporate costs	(651)	(1,272)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	10
1.5 Interest and other costs of finance paid	(23)	(48)
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	(1,043)	(1,099)
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	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(f) other non-current assets	-	-
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	-	-
3.6 Repayment of borrowings	(31)	(105)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other	-	-
3.10 Net cash from / (used in) financing activities	(31)	(105)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,296	2,426
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,043)	(1,099)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(31)	(105)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,222	1,222

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	351	1,427
5.2	Call deposits	659	657
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Other (see below)	212	212
5.6	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,222	2,296

Item 5: Other disclosures required by AASB 107: Cash available for use by the Group.

Reconciliation of funding arrangements to support business operations

	Current quarter \$A'000	Previous quarter \$A'000
5.7 Total cash at end of quarter (item 4.6)	1,222	2,296
5.8 Cash Deposits held for Equity Markets Compensation Arrangements.	(212)	(212)
5.9 Total: cash on hand and at bank (items 5.1, 5.2, 5.3 and 5.4)	1,010	2,084

Item 5.8 - Exchange Compensation Arrangements

As part of the National Stock Exchange of Australia Limited's Australian Financial Markets License, NSX operates investor Compensation Arrangements in accordance with Part 7.5 Division 3 of the Corporations Act 2001. The minimum cover required by the License is \$800,000. The sources for the cover is a Fidelity Fund and also a Letter of Credit as allowed by the Act. The Fidelity Fund currently has over \$608,000 on deposit. To support the Letter of Credit the National Stock Exchange of Australia Limited has provided a cash deposit of \$212,000. There is currently excess funds to the cover required in the compensation arrangements. The cash balances for the Fidelity Fund are not consolidated with

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

NSX accounts above. Therefore \$212,000 is not available cash for use by the NSX Group as working capital. Interest earned from the cash deposits is available for working capital purposes.

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	146
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	Total financing facilities	-	-
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.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,043)
8.2	Cash and cash equivalents at quarter end (item 5.9)	1,010
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,010
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.97
	<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. Note: item 8.2 refers to item 5.9 instead of item 4.6 as item 5.9 excludes cash deposits that are held for the Compensation Arrangements (\$212k).</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: The entity experiences cyclical cash inflows with most cash receipts occurring the first quarter of the financial year. The entity expects the current level of net operating expenditure to continue for the remainder of the financial year.

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: The entity is taking steps to raise further cash to fund its operations via a range of initiatives. The entity expects these initiatives to be successful.

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: The entity expects to be able to continue its operations on the basis of a successful inflow of cash noted in item 8.6.2.

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.

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 2024

Authorised by:**By the Board**.....
(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

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

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.