

26 April 2016

Quarterly Review

Highlights

- GlucoControl holding a Product Launch in Melbourne on May 2nd
- EVE completed first tranche investment into Omniblend Innovation, a ~25% stake, increasing to ~40%
- EVE and Omniblend Innovation participated in a trade delegation to China, receiving strong interest
- First production run of GlucoControl has been completed, product in distribution centres

EVE Investments (ASX:EVE), an ASX listed technology investment company, has today released its Appendix 4C Report for the three month period to 31 March 2016 and is pleased to provide a review of its progress for the quarter.

China Trade Delegation

EVE Investments and Omniblend Innovation took part in a trade delegation for Australia Week in China (AWIC). The delegation included Prime Minister Malcolm Turnbull, Current Trade Minister Steven Ciobo MP and Special envoy to China and former Trade Minister Andrew Robb AO, MP. EVE and Omniblend Innovation took part in the premium Food and Beverage Stream of the delegation, which was the largest stream in the delegation. Delegates visited Beijing, Hangzhou and Shanghai and met significant Chinese e-commerce companies such as Alibaba & Net Ease. Participating in the delegation has provided Omniblend Innovation with significant contacts that will greatly assist in the expansion into China. Omniblend Innovation has already received significant interest from parties in China as a result of the visit.



Picture 1: Special envoy to China and former Trade Minister Andrew Robb AO MP with Ben Rohr, Investment Director of EVE Investments

Product Launch

On May 2, Omniblend Innovation will host a GlucoControl Product Launch in Melbourne. The launch will be attended by Victorian MP for Broadmeadows, Frank McGuire MP, who is also the Parliamentary Secretary for Medical Research. The launch will be jointly hosted by Omniblend Innovation and Symbion and be attended by a mixture of diabetes agencies and educators, medical practitioners and pharmacists.

First Production Completed, GlucoControl in Distribution Centres

Omniblend Innovation has advised that the first manufacturing run for Omniblend Innovation's flagship product, GlucoControl, was completed in March 2016.

GlucoControl is a patented food-grade pre-meal drink for people with T2D and pre-diabetes. The pre-meal drink has been clinically shown to reduce blood glucose level peaks by 35% after carbohydrate containing meals.

GlucoControl is currently in the distribution centres of Omniblend Innovation's distribution partner, Symbion, a leading national wholesaler of healthcare services and products. The product will be distributed under its Faulding brand to its network of over 6,000 pharmacies, including Chemmart and Pharmacy Choice, across Australia and New Zealand.

The completion of GlucoControl's first manufacturing run and delivery to Symbion marks the culmination of six years of development and over \$5 million investment into the product, including a prestigious \$1.35m grant from AusIndustry, the Australian Government's specialist business program delivering grants and support to innovative businesses and individuals.

Settlement

Through the quarter, EVE Investments and Omniblend Innovation continued to work towards completion of the Conditions Precedent for Tranche 1 Completion. On 22 April, EVE announced that the Tranche 1 investment had been settled, giving EVE an approximately 25% stake in Omniblend Innovation. EVE will increase its interest in Omniblend Innovation to ~40% by 30 September 2016, under the revised payment terms for the tranche 2 investment (see ASX announcement on 1 April 2016).

New Investment Opportunities

EVE continues to review Australian and international technology investment opportunities across a broad range of sub-sectors including medtech, agtech, fintech, health & wellness, social, gaming, payments and cyber security.

Corporate Review

During the quarter, EVE successfully completed a 1 for 2 Non-Renounceable Entitlement Issue raising \$1.85m before costs. Funds from the Entitlement Issue were used to fund the initial acquisition of Omniblend Innovation and for working capital.

CPS Capital Group Pty Ltd acted as Lead Manager and Underwriter for the Entitlement Issue, which received strong support from existing shareholders.

The Company also appointed Mr George Cameron-Dow to the position of Non-Executive Director on the Board during the quarter. Mr Cameron-Dow brings extensive board experience spanning a range of industries including the pharmaceutical and health care industries. In addition to his extensive experience with large corporations, he has also been chair of a number of retirement funds including that of a private health insurance fund.

Other Investments

EVE has a 35% interest in Wayland Copper, which holds the Ballek copper-gold in Northern Sweden. Beowulf Mining Plc, the joint venture partner/manager of the project, is currently conducting a review of the project. EVE also holds an approximately 30% interest in UK incorporated Agricola Resources Plc. Agricola is intending to undergo a corporate restructure and is seeking a new project.

Cash position

The Company enters Q4 FY16 with cash at bank of \$2.1 million, positioning the Company well for further investments under its new investment strategy.

Outlook

Following EVE's first investment in medical technology company, Omniblend Innovation, the Company has a very positive outlook and we look forward to building our holding in Omniblend Innovation through Tranche 2 of our investment.

With the strong continued support from the Company's existing shareholders, EVE will continue to build its portfolio of investments in technologies from a broad range of sectors, positioning it as a leading sponsor and incubator for growth and start-up companies globally.

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About EVE Investments

EVE Investment is an Australian Securities Exchange Listed Investment Company that invests in technology companies. With a preference for companies that have global scale, EVE is an investment partner that wants to help build ground breaking and enduring technology.

For more information, please visit www.eveinvestments.com.au

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

EVE INVESTMENTS LTD

ABN

89 106 523 611

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$'000	Year to date (6 months) \$'000
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) staff costs	(136)	(214)
	(b) advertising and marketing	(31)	(33)
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(122)	(255)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net operating cash flows	(289)	(502)
Cash flows related to investing activities			
1.8	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	(53)
1.9	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	(53)
1.13	Total operating and investing cash flows	(289)	(555)

1.13	Total operating and investing cash flows (carried forward)	(289)	(555)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,859	2,732
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (costs of issue)	(141)	(146)
	Other (in-specie of subsidiary)	-	(66)
	Net financing cash flows	1,718	2,520
	Net increase (decrease) in cash held	1,430	1,965
1.20	Cash at beginning of quarter/year to date	678	138
1.21	Exchange rate adjustments to item 1.20	-	4
1.22	Cash at end of quarter	2,108	2,108

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$'000
1.24	Aggregate amount of payments to the parties included in item 1.2	100
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions:

Payments include director fees, administration staff and provision of a fully serviced office by related party entities.

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	Nil
2.2	Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest	Nil

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$'000	Amount used \$'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$'000	Previous quarter \$'000
4.1 Cash on hand and at bank	2,108	678
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other	-	-
Total: cash at end of quarter (item 1.22)	2,108	678

Acquisitions and disposals of business entities

	Acquisitions (Item 1.8(a))	Disposals (Item 1.9(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Steven Jackson
Company Secretary

26 April 2016

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, AASB 1026: Statement of Cash Flows apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. Accounting Standards. ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.