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The Manager, Company Announcements
ASX Limited, 20 Bridge Street
Sydney NSW 2000 Australia

BY E-LODGEMENT

24 April 2012

Quarterly update and Appendix 4C

The past few weeks have been a transition period for Bioxyne Limited (ASX: BXN) with the company making progress on multiple fronts following the successful re-listing on the ASX and re-naming following the merger of Hunter Immunology and Probiomics Limited.

This update provides further background on the progress and pending milestones along with an update on the broader market landscape and provides context to the quarterly Appendix 4C results.

Bioxyne is backed by a number of institutional investors and enjoys the support of a loyal shareholder base. The Company is on track to meet a number of important development milestones over coming months and all shareholders should be aware of these pending events.

Important 2012 commercial development milestones ahead

- Appointment of international investment advisors
- Final data lock and the compilation of Phase IIb trial results
- Release of the final data of the Phase IIb trial
- Presentation of the Phase IIb data at major investor and medical conferences
- Update on partnering discussions
- New patent applications and approvals

The core focus remains the creation of shareholder value through the commercialisation of the lead therapeutic asset - HI-1640V – which has been developed to address the major clinical needs of patients with Chronic Obstructive Pulmonary Disease (COPD).

The prospects for Bioxyme, and the Company's position in the global COPD market, assuming the forthcoming data demonstrate clinical relevance in the Phase IIb trials are positive, as growing demand for effective new therapies is driving interest and investment from major drug companies. To this end, the Company continues to progress discussions with a number of pharmaceutical groups regarding potential licensing and partnership opportunities.

Measuring the success of Bioxyme's Phase IIb trial data

The focus of current and future treatments for COPD is aimed at reducing the number of people who need to be hospitalised for their symptoms. There is no cure for COPD but prevention of infectious exacerbations and reducing hospital admissions plays a critical role in patient management.

Medical and investor interest is focused on new treatments that demonstrate a statistically significant reduction in the number of people hospitalised for exacerbations of COPD. The value of new therapies can be measured by their ability to reduce the financial burden on healthcare systems, improve the quality of life for patients and keep people out of hospital. Subject to proof of clinical relevance, the Company believes that the HI-1640V therapy will be well positioned to deliver on this demand.

The demand for new COPD therapies is growing

COPD is a major target of global pharmaceutical research with the COPD drug market worth \$8.3 billion in 2010 according to a survey by *Pharmaletter* published in December 2011. COPD incidence is growing rapidly in direct proportion to rising smoking and pollution in the developing world. It is major burden on healthcare systems globally.

Bioxyne's Phase IIb study is near completion

The current Phase IIb human clinical trial aimed at demonstrating the efficacy and safety of the therapy remains on track to report its final results in June 2012. The trial has generated significant interest among medical professionals.

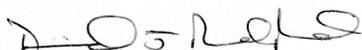
Funding strategy

As of 31 March 2012, Bioxyne (formerly Probiomics) had \$2.4 million available following the successful capital raising ahead of the relisting on the ASX on 11th April 2012. These funds will be prudently used to advance the commercialisation program through to the release of the Phase IIb clinical results and, pending clinical relevance, the subsequent partnership discussions in 2012.

Over the next few weeks, I will be meeting current and potential new investors. A copy of the investor presentation summarising the Bioxyne investment opportunity will be available on the ASX platform and also our website *www.bioxyne.com*.

We appreciate your continued support and look forward to providing you with regular updates as we seek to create shareholder value through this promising Australian technology.

Yours Sincerely



David Radford
Chief Executive Officer
Bioxyne Limited

www.bioxyne.com

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(261)	(227)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
	-	-
Net investing cash flows		
1.14 Total operating and investing cash flows	-	-
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	2,402	2,602
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (brokerage)	-	(11)
Net financing cash flows	2,402	2,591
Net increase (decrease) in cash held	2,141	2,364
1.21 Cash at beginning of quarter/year to date	350	127
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	2,491	2,491

+ See chapter 19 for defined terms.

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 \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	52
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

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

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

Financing facilities available

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

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

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Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

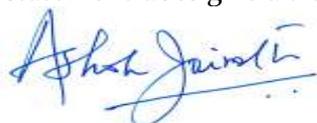
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	278	186
4.2 Deposits at call	2,213	164
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	2,491	350

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(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.



Sign here:

Date: 24 April 2012.

Company Secretary

Print name: .A. JAIRATH

+ See chapter 19 for defined terms.

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.

+ See chapter 19 for defined terms.