

27<sup>th</sup> October 2014

## September 2014 Quarterly Update and Appendix 4C

### Highlights

- **Maintained Positive Cash flow from operations for the September quarter;**
- **Continued strong sales of probiotics products;**
- **Reported consolidated net profit before tax for the 2014 financial year of \$1,190,827 (2013: loss of \$6,191,113).**

Bioxyne Limited (or the Company) maintained positive operating cash flows for the quarter, continuing the trend from the second half of the 2014 financial year. This was achieved through sales from the probiotics business (PCC®). Costs continued to be managed effectively.

Cash collections from the probiotics business (PCC®) remained strong for the quarter and totalled A\$556,000. Royalty revenue from our distributor on sales in relevant overseas territories has also continued.

Ian Brown was appointed in September 2014 to conduct a strategic marketing review of the Company's core probiotics business. Ian was the previous CEO of RepRegen Limited and also previous the Chief Operating Officer and Executive Director of Cordlife Limited. The strategic review will include an evaluation of the positioning of the Company's PCC lactobacillus strain of probiotics to widen product offerings and distribution.

Ian has extensive experience in sales and marketing in the biotechnology sector, and has lived and worked in both Asia and Europe (including Scandinavia). He holds an MBA from the University of Queensland and EIR from INSEAD.

The ongoing accumulating cash balance and the strengthening of the balance sheet put the Company in a strong position to consider new opportunities to grow shareholder value.

For more information, please contact:

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**Chairman**  
**Bioxyne Limited**  
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# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Bioxyne Limited

ABN

97 084 464 193

Quarter ended ("current quarter")

30 September 2014

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from customers	556	556
1.2 Payments for		
(a) staff costs	-	-
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) cost of goods sold	(292)	(292)
(f) other working capital	(240)	(240)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (R&D Tax Concession Proceeds)	-	-
<b>Net operating cash flows</b>	<b>25</b>	<b>25</b>

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	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	25	25
<b>1.9 Cash flows related to investing activities</b>		
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		
<b>1.10 Proceeds from disposal of:</b>		
(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		
<b>Net investing cash flows</b>	-	-
<b>1.14 Total operating and investing cash flows</b>	25	25
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from issue of convertible notes		
1.18 (Repayment)/Proceeds of borrowings		
1.19 Dividends paid		
1.20 Cost of issuing equity		
<b>Net financing cash flows</b>	-	-
<b>Net increase (decrease) in cash held</b>	25	25
1.21 Cash at beginning of quarter/year to date	992	992
1.22 Exchange rate adjustments to item 1.20	61	61
<b>1.23 Cash at end of quarter</b>	1,078	1,078

+ See chapter 19 for defined terms.

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**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	126
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
Amounts included in item 1.24 include directors fees paid to directors or their nominees. All transactions with related parties have occurred on an arm's length basis. ~ \$88,000 were fees accrued to 30 June 2014.		

**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

N/A
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- 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

N/A
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**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

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

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**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	1,078	992
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>1,078</b>	<b>992</b>

**Acquisitions and disposals of business entities**

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net liability	-	-
5.5 Nature of business	-	-

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**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:



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(Director/Company secretary)

Date: 27 October 2014

Print name: Jarrod T White

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**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 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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.

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