

ASX ANNOUNCEMENT 26 April 2017

ALCHEMIA LIMITED QUARTERLY REPORT – 31 MARCH 2017

- Cash at end of the quarter of \$1,993,000
- Net cash inflow for the quarter of \$256,000
- Research and Development Tax Rebate received of \$347,000

Corporate Activities for the March 2017 Quarter

During the quarter Alchemia Limited ('Alchemia' or 'the Company') continued to maintain ongoing activities focused on the closure of all clinical trial activities.

The Company continues to explore ways of realising value by selling or licensing its proprietary intellectual property.

The cash balance at the end of the March 2017 quarter was \$1,993,000 which includes a Research and Development Tax Rebate of \$347,000 received during the quarter.

The Company's operating costs continue to be tightly controlled, with low ongoing expenditure.

The Company continues to seek out business development opportunities within the broader life sciences sector and other sectors. Through the activities of its board members, the Company has had numerous discussions with other participants in related fields to discuss possible mergers and other corporate transactions. The Company continues to conduct commercial due diligence investigations and will continue to keep shareholders informed.

There have been no other matters or circumstances that have arisen during the quarter.

Corporate Details

Issued Capital 324,723,621 Ordinary Shares

Directors and Management

Mr Simon Gennari
Mr Darren Book
Mr David Lamm
Ms Melanie Leydin
Non-Executive Chairman
Non-Executive Director
Company Secretary

For further information, please contact:

Simon Gennari Non-Executive Chairman

Alchemia Limited, Level 4, 100 Albert Road South Melbourne 3205 Ph: 03 9692 7222

+Rule 4.7B

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

ALCHEMIA LIMITED		
ABN	Quarter ended ("current quarter")	
43 071 666 334	31 MARCH 2017	

Con	solidated 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	-	-
1.2	Payments for		
	(a) research and development	-	(27)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(24)	(66)
	(f) administration and corporate costs	(56)	(113)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	8
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives (R&D incentives)	347	347
1.8	Other – Patent costs (provide details if material)	(-)	(22)
1.9	Net cash from / (used in) operating activities	270	127

2.	Cash flows from investing activities	
2.1	Payments to acquire:	
	(a) property, plant and equipment	-
	(b) businesses (see item 10)	-

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Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
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	-	-
3.5	Proceeds from borrowings	-	-
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	-	-

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	1,737	1,874
4.2	Net cash from / (used in) operating activities (item 1.9 above)	270	127
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)	-	-

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Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(14)	(8)
4.6	Cash and cash equivalents at end of quarter ⁽¹⁾	1,993	1,993

^{(1):} Includes receipts from R&D Tax Incentive refund of \$347,000 received in January 2017

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	1,993	1,737
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)	1,993	1,737

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	24
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

Director's fees and salaries paid to directors during the March 2017 quarter.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
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	-
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7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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8.	Financing facilities available Add notes as necessary for an understanding of the position	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facil whether it is secured or unsecured. If an proposed to be entered into after quarte	y additional facilities have bee	n entered into or are

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	-
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	-
9.4	Leased assets	-
9.5	Staff costs	(23)
9.6	Administration and corporate costs	(131)
9.7	Other – Patent costs (provide details if material)	(7)
9.8	Total estimated cash outflows	(161)

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	-	-

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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.

(Company Secretary)

Sign here: Date: 26 April 2017

Print name: Melanie Leydin

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.
- 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.

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