



30 April 2018

Company Announcements Office  
Australian Securities Exchange  
Exchange Centre  
20 Bridge Street  
Sydney, NSW 2000

Dear Sir/Madam

**APPENDIX 4C – MARCH 2018**

Please find attached the Appendix 4C for the March 2018 Quarter for Medlab (ASX: MDC).

For a company update, please refer to the Letter to Shareholders released 23 April 2018. The key highlights were:

- NanaBis™, Medlab's medical cannabis-based medicine has been manufactured and in addition, the validated analytical release for supply has also been completed. As a result, NanaBis™ is now ready for sale and delivery to Royal North Shore Hospital for the intractable pain trials.
- Medlab is now federally licenced to supply medical cannabis. No other company licenced to supply cannabis is in the area of advanced cancer patients suffering intractable pain. ([www.odc.gov.au/manufacturers-and-suppliers-medicinal-cannabis-products](http://www.odc.gov.au/manufacturers-and-suppliers-medicinal-cannabis-products)).
- Medlab has reached agreement with Queensland University of Technology for a 150-person study using NRGBiotic™ (a product currently in market) as an adjuvant therapy to an SSRI (class of antidepressant) in the treatment of depression.
- Trial designs are underway for a Phase 2a clinical trial in diabetes.
- Medlab has received ethics approval for a new study focusing on safety and tolerability for oncology patients undergoing chemotherapy in reducing intestinal inflammatory ulcerations, that leads to the development of diarrhoea and decreased white blood cells. The trial will involve Medlab's MultiBiotic™.

For and behalf of the Board.

Alan Dworkin  
Company Secretary

## 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**

MEDLAB CLINICAL LIMITED

**ABN**

51 169 149 071

**Quarter ended ("current quarter")**

31 March 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	923	3,278
1.2 Payments for		
(a) research and development	(688)	(1,337)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(65)	(311)
(d) leased assets	(112)	(333)
(e) staff costs	(809)	(2,514)
(f) administration and corporate costs	(347)	(1,454)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	19	24
1.5 Interest and other costs of finance paid	(16)	(35)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	911
1.8 Other (provide details if material)		
(a) payments for inventory	(712)	(1,670)
(b) IP costs	(66)	(156)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,873)</b>	<b>(3,597)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(24)	(34)
	(b) businesses (see item 10)	-	-
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(24)</b>	<b>(34)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	24,000	24,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	795
3.4	Transaction costs related to issues of shares, convertible notes or options	(1,320)	(1,320)
3.5	Proceeds from borrowings	835	1,135
3.6	Repayment of borrowings	(1,157)	(1,215)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>22,358</b>	<b>23,395</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	790	1,498
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,873)	(3,597)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(24)	(34)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	22,358	23,395
4.5	Effect of movement in exchange rates on cash held	31	20
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>21,282</b>	<b>21,282</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> 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	3,282	790
5.2	Call deposits	18,000	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>21,282</b>	<b>790</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter  
\$A'000

124

-

- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Director fees/wages

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	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	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 Banking facility	1,000	210
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	800
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	70
9.4 Leased assets	115
9.5 Staff costs	800
9.6 Administration and corporate costs	350
9.7 Other (provide details if material)	
(c) payments for inventory	500
(d) IP costs	30
<b>9.8 Total estimated cash outflows</b>	<b>2,665</b>

Note: Collections from customers is expected to be in excess of \$1m for the next quarter.

<b>10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

### 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.



Sign here: .....  
Company secretary

Date: 30 April 2018

Print name: Alan Dworkin

### 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.
2. 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.