



30 April 2019

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

Dear Sir/Madam

APPENDIX 4C – MARCH 2019

Please find attached the Appendix 4C for the March 2019 Quarter for Medlab (ASX: MDC).

The key highlights for the period have been:

- Medlab achieves monthly sales of over \$1m for the first time in April 2019.
- BEST ever quarterly sales achieved in March quarter 2019.
- Medlab has commenced the launch and rollout of its self-branded nutraceutical range into Australian Pharmacy Banner Groups.
- Research trials at Royal North Shore Hospital (medical cannabis) and Queensland University of Technology (depression) continue to progress well.

MEDICAL CANNABIS

Two medical cannabis products using Medlab's patented NanoCelle™ (small particle) delivery platform currently being prescribed in Australia.

NanaBis™ (CBD:THC)

- Continuation of Stage 2 trial at Royal North Shore Hospital.
- NanaBis™ continues to grow as prescribed by doctors under the Government's Special Access Scheme.
- Data from Stage 1 and case studies show:
 - Significant improvements in quality of life, inclusive of sleep and movement with reduced pain/reduction.
 - The reduction/replacement of previously prescribed medication (in particular opioids)
 - Reduction in pain severity scores
 - Reduction of symptoms
- Heads of Agreement for NanaBis™ executed with Canadian pharmaceutical company, Pharmascience Inc. for Canadian distribution.

NanaBidual™ (predominantly CBD)

- Medlab's second cannabis product, "NanaBidual™" has been released to Australian Doctors under the Government's Special Access Scheme.
- Safety Study, human Intervention phase completed – awaiting analytical results

DEPRESSION

- Phase 2b clinical trial of a medicine (NRGBiotic™) for treatment of depression developed by Medlab progressing very well at Queensland University of Technology.
- Second round of recruitment for trial was conducted.
- The 150-patient trial is designed to meet TGA requirements for expedited drug approval.

NUTRACEUTICAL

- Range expansion in Australian pharmacies underway with a substantial increase in turnover over the next 12-month period expected.
- Medlab currently developing approx. 6 to 8 new products.

Strong IP Position

- Medlab's patents now total 28 with an additional 3 in filing

CORPORATE

- Cash balance of \$13.169m as at 31 March 2019.

For and behalf of the Board.



Sean Hall
Managing Director

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 2019

Consolidated 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	962	3,450
1.2 Payments for		
(a) research and development	(1,636)	(4,278)
(b) product manufacturing and operating costs	-	
(c) advertising and marketing	(600)	(1,545)
(d) leased assets	(116)	(365)
(e) staff costs	(955)	(2,885)
(f) administration and corporate costs	(489)	(1,473)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	136	286
1.5 Interest and other costs of finance paid	(12)	(46)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	1,388
1.8 Other (provide details if material)		
(a) payments for inventory	(476)	(1,674)
(b) IP costs	(81)	(129)
1.9 Net cash from / (used in) operating activities	(3,267)	(7,271)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(15)	(55)
(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 – payment/return of security deposits	54	(81)
2.6 Net cash from / (used in) investing activities	39	(136)

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	1,170	3,022
3.6 Repayment of borrowings	(893)	(2,772)
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	(277)	(250)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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	16,116	20,333
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,267)	(7,271)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	39	(136)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(277)	(250)
4.5	Effect of movement in exchange rates on cash held	4	(7)
4.6	Cash and cash equivalents at end of quarter	13,169	13,169

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	3,169	2,116
5.2	Call deposits	10,000	14,000
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)	13,169	16,116

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	115
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 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	311
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	1,200
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	500
9.4 Leased assets	115
9.5 Staff costs	1,000
9.6 Administration and corporate costs	350
9.7 Other (provide details if material)	
(c) payments for inventory	700
(d) IP costs	30
9.8 Total estimated cash outflows	3,895

Note: An increase in cash collections are expected next quarter.

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
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 2019

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.