

## ASX Release

### **Anatara Appendix 4C**

BRISBANE & MELBOURNE, 25<sup>th</sup> July 2019: Anatara Lifesciences Ltd (ASX:ANR) is pleased to release its Appendix 4C for the quarter ending 30<sup>th</sup> June 2019. The Company's cash plus term deposits at the end of the quarter stood at \$5.4m. On 30<sup>th</sup> June 2019, the Company had cash at bank of \$1,360,086 and \$4,050,000 in term deposits. Expenditure during the quarter was in line with forecast.

Forecast expenditure for the September 2019 quarter is anticipated to increase as research and development activities for the Company's lead human health program, its Gastrointestinal Reprogramming (GaRP) dietary supplement, advances. Future quarterly gross cash outflow is anticipated to decline to an average of \$1.3m for the remaining quarters of the 2020 financial year. A refund from the Australian Taxation Office under the Federal Government's Research and Development (R&D) Tax Incentive scheme is anticipated to be received in December 2019.

The Company continued an active market awareness program during the period. Anatara CEO, Steve Lydeamore, recorded financial news media interviews in April and May 2019, and roadshow presentations were delivered to investors in Perth and on the Gold Coast in June 2019.

In July 2019, the external equity research teams at PAC Partners and Pitt Street Research independently updated their analyst coverage of Anatara. PAC Partners provided a Buy rating and price target of \$0.90/share and Pitt Street Research providing a base case valuation of \$1.09/share.

On 14<sup>th</sup> June 2019, Anatara announced the return to the Company of rights to the worldwide development, manufacturing, distribution and marketing of Detach<sup>®</sup> for livestock animals and horses. Following this announcement, Anatara's Board and management team initiated a strategic review of the Company's commercialisation opportunities for Detach<sup>®</sup>, including launch of the APVMA approved product in Australia, regulatory approval of this product in overseas markets, development of this product for species other than piglets and, global or regional licensing of Detach<sup>®</sup>. In line with our commitment to ongoing disclosure, another market update will be provided in the coming weeks.

Pre-clinical animal studies for GaRP in Inflammatory Bowel Disease (IBD) have commenced and a human clinical study of GaRP in Irritable Bowel Syndrome (IBS) is expected to be initiated in late 2019, with a view to partnering in the second half of calendar 2020. Both studies are anticipated to be funded using existing resources.

Looking ahead, Anatara will continue to execute its human health development plans, and in parallel, the Company has prioritised a strategic review of all options to deliver on the global value of the Company's animal health assets, including the launch of Detach<sup>®</sup> in Australia and global licensing.

**For more information please contact:**

<b>General inquiries</b>	<b>Media inquiries</b>
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### **About Anatara Lifesciences Ltd**

Anatara Lifesciences Ltd (ASX:ANR) is developing and commercialising innovative, evidence-based products for gastrointestinal health where there is significant unmet need. Anatara is a life sciences company with expertise in developing products for animal and human health. Anatara is focused on building a pipeline of human gastrointestinal health products. Underlying this product development program is our commitment to delivering real outcomes for patients and strong value for our shareholders.

## 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**

Anatara Lifesciences Ltd (ASX: ANR)

**ABN**

41 145 239 872

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

30 June 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter A'000</b>	<b>Year to date (12 months) A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	670
1.2 Payments for		
(a) research and development	(358)	(946)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(375)	(1,803)
(f) administration and corporate costs	(365)	(1,828)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	189
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	18	1,301
1.8 Other	29	179
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,036)</b>	<b>(2,238)</b>

Consolidated statement of cash flows		Current quarter A'000	Year to date (12 months) A'000
<b>2.</b>	<b>Cash flows from investing activities</b>	-	-
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments ( <i>term deposits of greater than 90 days</i> )	-	(7,050)
	(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 ( <i>term deposits of greater than 90 days</i> )	1,000	9,200
	(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>1,000</b>	<b>2,150</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<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	1,396	1,448
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,036)	(2,238)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,000	2,150
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>1,360</b>	<b>1,360</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	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,360	1,396
5.2	Call deposits ( <i>deposits with terms of less than or equal to 90 days</i> )	-	-
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>1,360 (*)</b>	<b>1,396</b>

(\*) As at 30 June 2019, other than the cash and cash equivalents presented above, the Company also had \$4,050,000 (31 March 2019: \$5,050,000) in deposits with terms of greater than 90 days.

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	135
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	

Item 6.1 Reflects amounts paid to directors including director's fees, salaries, superannuation, bonuses and consulting fees (excluding reimbursements).

7. <b>Payments to related entities of the entity and their associates</b>	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	
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8. <b>Financing facilities available</b> <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 Other (please specify)	-	-
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.		
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9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	658
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	73
9.4 Leased assets	-
9.5 Staff costs	487
9.6 Administration and corporate costs	383
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>1,601</b>

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	-	-

### 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:  .....  
(Chief Executive Officer)

Date: 25 July 2019

Print name: Steven Lydeamore

### 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.