

MARCH 2022 QUARTERLY UPDATE

- **Announcement of commercial deal with Clarke Mosquito Control Products and positive progress on Evergreen Garden Care collaboration**
- **Positive stored grain pest control results with Flavocide™**
- **Strategic Placement raises \$1.5 million**
- **Grant of U.S. patent and expansion of regulatory programs**

Bio-Gene Technology Limited (ASX: BGT, 'Bio-Gene' or 'the Company'), an agtech development company enabling the next generation of novel insecticides, today announced an update on its activities for the quarter ending 31 March 2022 and to date.

Bio-Gene Chief Executive Officer and Managing Director, Richard Jagger said: "This last quarter has been a very significant period for Bio-Gene. The culmination of a lot of focused work by the team has seen some significant announcements which point to the validity of our strategy and our ability to create value in our technology. We are pleased to be delivering on the milestones articulated at our AGM last year, which in turn sets us up well for the rest of the calendar year."

Clarke Mosquito Control Agreement

In April 2022 Bio-Gene signed a licence and development agreement with Clarke Mosquito Control Products Inc. ('Clarke') to seek to develop, register and commercialise new insecticide solutions for professional public health mosquito control markets in the United States and Cayman Islands. Under the terms of this agreement Clarke will make licence fee payments over the next three years which will assist on-going development work by Bio-Gene that is required to secure registration of mosquito control products featuring the active ingredient Flavocide in the United States. Once a commercial product is launched, Clarke's exclusive access to Flavocide for mosquito control products will be upheld through a combination of technical transfer fees commensurate with active ingredient production costs and royalty payments on all end-use product sales containing Bio-Gene's Flavocide technology.

The Agreement with Clarke outlines the commercial pathway and obligations of both parties, including the registration requirements of the Active Ingredients and end use products. Bio-Gene will supply Clarke with the Active Ingredient Flavocide, with Clarke having the responsibility of developing and registering end use products, which will complement Bio-Gene's data procurement and application for the Active Ingredient registration. This represents a financial commitment on the part of Clarke over the next five years as the work continues.

Evergreen Garden Care

Since the announcement in October 2021 of the commercial development agreement with Evergreen Garden Care, a series of project team meetings has been undertaken. These meetings focus on both the testing program and the regulatory processes associated with registration of both Active Ingredient and end use product. This project is focused on consumer pest control markets in Europe, UK, Australia and New Zealand. Under the agreement, Evergreen is committed to developing, registering and commercialising end-use-products for control of flying and crawling insect pests in these markets. Evergreen's commitment also extends to financial support to Bio-Gene's development and registration costs.

Flavocide grain storage project

Positive results from the latest stored grain trial were announced in March 2022, showing efficacy of Flavocide combination treatments over the targeted 9-month protection period. This was stage three of a collaboration project undertaken by the Department of Agriculture & Fisheries, Queensland (DAF), as the trials researcher, and

partly funded by BASF and the Grains Research & Development Corporation (GRDC). The residual efficacy study was designed to demonstrate the effectiveness of the combination treatment to control five of the key stored grain pests, being the Lesser grain borer, Flour beetle, Saw-toothed grain beetle, Flat grain beetle and Rice weevil.

Together with previous Flavocide efficacy testing results, the latest results form the basis for Flavocide product label recommendations for control of the major pest species impacting grain storage. A project team meeting was held in February 2022 to review progress and discussions are now progressing with the collaboration partners to determine next steps for this project.

Commercial Partner Discussions

Bio-Gene is continuing to actively engage with other potential commercial partners to promote our technology and support evaluation programs targeting uses in multiple market segments. Several collaborations are now operating under Material Transfer Agreements (MTA) and offer future commercial opportunities for both Flavocide and Qcide™ to broaden the scope of use of our technology. The recent agreements with Evergreen and Clarke provide confidence that the commercialisation strategy adopted by Bio-Gene is one that can be successful with a number of partners working in different geographies and market segments. It is our intention to attract more partners under similar commercial arrangements.

Capital Raise

In March 2022, the Company successfully secured a shareholding relationship with a new high net worth family, based here in Australia by completing a strategic placement to raise \$1.5 million. We were initially approached by this family with strong interest in the Company's advancements to date and future opportunities. This investor sees the potential behind Bio-Gene's business model, and we look forward to a long relationship. The support from a significant new investor represents further affirmation of our technology and strategy and complements the industry validation we have received by way of our initial partnerships and material transfer agreements.

Along with the funds raised in a placement to existing and new shareholders in December 2021, these funds will enable us to progress the programs we have in place with our commercial partners, particularly in respect of the major registration enabling studies we wish to undertake. In addition, these funds will ensure Bio-Gene can further expand its company funded efficacy studies which will support further commercialisation discussions and continue our manufacturing development programs for Flavocide and Qcide. All of these next steps are expected to strengthen Bio-Gene's value proposition for shareholders and our current and future commercialisation partners.

Intellectual Property

Following on from our recent patent allowances in Australia and the U.S., U.S. patent No. 11,259,522 was granted by the United States Patent Office in early March. This patent includes claims covering the control of resistant insect pests infesting an agricultural environment, and in particular grain storage pests. The patent will expire in July 2038.

Examination of additional patent applications is continuing to be undertaken by other patent offices in countries around the world. Via our internally funded research, we continue to look at opportunities to support additional patent applications that would offer additional value to Bio-Gene and our commercial partners.

Appointment of Head of Regulatory Affairs

In early February 2022, Bio-Gene announced the appointment of Sarah Driessens to the role of Head of Regulatory Affairs with global responsibilities. Sarah is a highly experienced regulatory professional with extensive experience in crop protection, consumer and professional pest control markets, gained while working with Bayer and Monsanto while based in Europe. Sarah's appointment adds significant expertise and resource to the company

that will greatly assist the increased focus on registration programs with Flavocide and Qcide. This is a strategic appointment for Bio-Gene, and the experience Sarah brings to the company in the regulatory process, complemented by her technical expertise will ensure we can manage the registration process of our Active Ingredients as efficiently as possible. Sarah will drive the formulation and implementation of the regulatory strategy focused on Australia and Europe to support our collaboration with Evergreen Garden Care, and the US registration to support the program with Clarke Mosquito Control Products.

Development of Active Ingredient International Registration Package

Following comprehensive data gap analyses of our current regulatory product data packages undertaken by local and international regulatory and other expert consultants, we have identified and prioritised data requirements for registration of both Qcide and Flavocide in key target markets including Australia, Europe and the USA. This has formed the basis for the next phase of focused studies in the areas of mammalian toxicity, ecotoxicity, environmental fate and product chemistry. Local and overseas laboratories have been engaged to undertake definitive, and in most cases Good Laboratory Practice (GLP) studies, aimed at addressing key areas of the regulatory package. Arrangements have also been confirmed with regulatory consultants in target jurisdictions to confirm registration pathways and initiate the regulatory processes through contact with regulatory agencies. This will also complement engagement with commercial partners and ensure close alignment with programs to achieve timely registrations for both Active Ingredient and end use products for specific uses.

Manufacturing

Flavocide: A major project relating to manufacture of Flavocide has been the five-batch production program undertaken with Boron Molecular. This project is now nearing completion with only the final step of the fifth batch pending. A key outcome from the project is the confirmation of detailed standard operating procedures (SOP) for the manufacture of Flavocide to a target specification. This is supported by extensive chemical analyses of key components of the process to demonstrate consistency in processing conditions and product outcomes. All of these steps are critical components of our Active Ingredient registration dossier.

Other projects underway relating to Flavocide manufacture focus on further identifying and investigating process improvements, including alternative non-core reagents and recovery/recycle opportunities. These programs aim to provide further reductions in production costs, which will lead to improved market competitiveness and profitability for Bio-Gene and our partners.

Qcide: Another harvest and associated farm experimentation program was undertaken in February 2022. This again involved James Cook University (JCU) engineering and evaluated steps to improve the speed of initiation of extraction of Qcide oil from leaf biomass. A further five bins (batches) were processed under standard conditions that again demonstrated consistency in the extraction process and ability to produce oil to a target specification and tasmanone content. This is important data for our registration process as well as future profitability. A new harvester was also commissioned as part of the February harvest, which performed extremely well and offers potential to better process biomass and improve efficiency of oil extraction.

Company Presentations

During the quarter, our CEO visited with potential investors in the USA, Melbourne, and Sydney. There are plans for the CEO to visit investors in other states now that Covid-19 travel restrictions have been relaxed across Australia. The CEO was also a participant for a panel discussion on future food sustainability as part of the Credit Suisse Asia Investor Conference.

We continue to build on our social media interactions with regular communications on company activities and global issues relevant to our business development activities. These and on-going updates can be found on our social media pages:

- LinkedIn: - <https://au.linkedin.com/company/bio-genetechnology>
- Twitter: - <https://twitter.com/biogenetechltd>

The Company will continue to focus on investor briefings and industry presentations over the course of the year.

Cash Position

As at 31 March 2022, Bio-Gene held \$7.2 million in cash, which based on current plans, provides the Company with sufficient cash to operate well beyond 12 months. During the quarter, the Company received R&D rebates from the Australian government to the value of \$514,000.

Approved for release by the Board of Directors.

- ENDS -

For further information, please contact:

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About Bio-Gene Technology Limited

Bio-Gene is an Australian agtech company enabling the next generation of novel insecticides. Bio-Gene's novel platform technology is based on a naturally occurring class of chemicals known as beta-triketones.

Beta-triketone compounds have demonstrated insecticidal activity (e.g. kill or knock down insects) via a novel mode of action in testing performed to date. This platform may provide multiple potential new solutions for insecticide manufacturers in applications across crop protection and storage, public health, consumer applications and animal health. The Company's aim is to develop and commercialise a broad portfolio of targeted insect control and management solutions, working with industry leaders across key market segments.

Flavocide™ and Qcide™ are trademarks of Bio-Gene Technology Limited.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Bio-Gene Technology Limited

ABN

32 071 735 950

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	35	404
1.2 Payments for		
(a) research and development	(238)	(975)
(b) commercialisation expenses	(57)	(238)
(c) management administration expenses	(36)	(148)
(d) directors' expenses	(61)	(176)
(e) professional services	(25)	(64)
(f) intellectual property	(35)	(132)
(g) administration and corporate costs (see note 6)	(238)	(395)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	34
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	514	514
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(126)	(1,176)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(5)	(5)
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) 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	(5)	(5)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,671	4,719
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(15)	(167)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(75)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (share proceeds received in advance)	(111)	-
3.10	Net cash from / (used in) financing activities	1,545	4,477

Quarterly cash flow report for entities subject to Listing Rule 4.7B

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,815	3,933
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(126)	(1,176)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5)	(5)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,545	4,477
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,229	7,229

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	21	18
5.2	Call deposits	7,208	5,797
5.3	Bank overdrafts	-	-
5.4	Other (Term Deposits)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,229	5,815

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	198
6.2	Aggregate amount of payments to related parties and their associates included in item 2	N/A
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Note 6.1: Director's fees paid to Directors or their related entities which includes FY21 incentives for Executive Directors.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	N/A	N/A
7.2 Credit standby arrangements	N/A	N/A
7.3 Other (please specify)	N/A	N/A
7.4 Total financing facilities	N/A	N/A
7.5 Unused financing facilities available at quarter end		N/A
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(126)
8.2 Cash and cash equivalents at quarter end (item 4.6)	7,229
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	7,229
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	57
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date: 27 April 2022

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
6. Net movements in GST are included in this item.
7. Prior Quarter Corrections. Immaterial minor errors and reallocations of expenses from previous quarter reports are corrected on a year to date basis. Movements disclosed for the current quarter have been correctly calculated.