



## ASX Announcement

For immediate release

28 January 2016

### BLUECHIIP LIMITED DECEMBER 2015 QUARTERLY CASH FLOW REPORT

Bluechiip Limited (**Bluechiip**) (ASX: BCT) today released its quarterly cash flow report for the period ended 31 December 2015.

#### Commentary

Net operating cash outflow for December 2015 quarter (adjusted for Research & Development (**R&D**) Tax Incentive received of \$628,668) was \$660,308 representing an average monthly operating net cash outflow of \$220,103 (September 2015 quarter: Net operating cash outflow was \$758,677 and average monthly operating net cash outflow was \$252,892). The current operating net cash outflow is less than the previous quarter as the previous quarter included items relating to financial year end reporting.

The net cash outflow from investing activities was \$3,245 representing capital expenditure in relation to purchase of office equipment.

During the quarter, the net cash outflow from financing activities was \$181,425. Proceeds of \$450,000 were received from the placement of Bluechiip shares to sophisticated and professional investors. The loan facility of \$600,000 (drawn in prior quarter) and associated finance costs of \$31,425 were fully repaid following receipt of the R&D Tax Incentive.

During the quarter, commercial and validation activities were ongoing including:

- Expanding Bluechiip's co-development Original Equipment Manufacturer (**OEM**) strategy opportunity pipeline;
- Execution of a license and supply agreement with Genea Biomedx to incorporate Bluechiip's sample tracking technology into Genea Biomedx's range of Assisted Reproductive Technology (**ART**) used in the in vitro fertilisation (**IVF**) clinics across the globe;
- Execution of two development agreements with confidential partners in the fields of Protein Crystallography and Cell Therapies;
- Continuous marketing of Bluechiip OEM Developer Kit to enable OEM partners to integrate Bluechiip technology with their own OEM products; and
- Release of a new portable handheld reader in addition to two other new products, a multivial reader and Bluechiip Buttons, in response to customer and OEM feedback for trial and integration into OEM partner.

In reviewing the company's liquidity and cash flow, the directors note that the Company is actively engaged in assessing alternatives for capital raising in the near term including via the Share Purchase Plan launched on 20 January 2016.

**END.**

**For more information:**

Andrew McLellan  
Managing Director / CEO  
Ph: +61 457 823 470  
[andrew.mclellan@bluechiip.com](mailto:andrew.mclellan@bluechiip.com)

**About Bluechiip Limited:**

Bluechiip has developed a wireless tracking solution for the healthcare and life science, security, defence and manufacturing industries which represents a generational change from current methods such as labels (hand-written and pre-printed), barcodes (linear and 2D) and microelectronic integrated circuit (IC)-based RFID (Radio Frequency Identification).

The unique tag is based on MEMS technology and contains no electronics. The tag can either be embedded or manufactured into a storage product, such as vials or bags. Easy identification, along with any associated information from the tag such as temperature can be detected by a reader, which can also sense the temperature of the tagged items. The traditional identification technologies have significant limitations. Whereas a barcode requires a visible tag or line-of-sight optical scan, bluechiip® technology does not. Unlike labels, barcodes and RFID, the bluechiip® technology can sense the temperature of each item a tag is attached to, or embedded in.

The bluechiip® technology has initial applications in the healthcare industry particularly those businesses which require cryogenic storage facilities (biobanks and biorepositories). bluechiip® offers the only technology that enables accurate and reliable tracking of products including stem cells, cord blood, and other biospecimens. In addition to functioning in extreme temperatures, the bluechiip® tracking solution can survive autoclaving, gamma irradiation sterilization, humidification, centrifuging, cryogenic storage and frosting.

The bluechiip® technology has other healthcare applications in pathology, clinical trials and forensics. Several other key markets outside of healthcare include cold-chain logistics/supply chain, security/defence, industrial/manufacturing and aerospace/aviation.

Further information is available at [www.bluechiip.com](http://www.bluechiip.com)

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Name of entity

BLUECHIIP LTD

ABN

79 104 795 922

Quarter ended ("current quarter")

31 DECEMBER 2015

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>		<b>Current quarter</b>	<b>Cumulative to</b>
		<b>\$A'000</b>	<b>31 Dec 2015</b>
			<b>\$A'000</b>
1.1	Receipts from customers	11	11
1.2	Payments for:		
	(a) staff costs	(269)	(517)
	(b) advertising and marketing	(24)	(24)
	(c) research and development	(171)	(361)
	(d) leased assets	(2)	(5)
	(e) other working capital	(247)	(588)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other:		
	- GST refunds	40	62
	- Income tax refund	629	629
	- Government grants	-	-
<b>Net operating cash flows</b>		<b>(32)</b>	<b>(790)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	<b>Current quarter</b>	<b>Cumulative to</b>
	<b>\$A'000</b>	<b>31 Dec 2015</b>
	<b>\$A'000</b>	<b>\$A'000</b>
1.8 Net operating cash flows (carried forward)	(758)	(758)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(3)	(3)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other	-	-
<b>Net investing cash flows</b>	(3)	(3)
<b>1.14 Total operating and investing cash flows</b>	(35)	(793)
<b>Cash flows related to financing activities</b>		
1.15 Net proceeds from issuance of shares, options, etc via private placement net of costs	450	450
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	600
1.18 Repayment of borrowings	(600)	(600)
1.19 Dividends paid	-	-
1.20 Others – Other material expenditure	(31)	(31)
<b>Net financing cash flows</b>	(181)	(419)
<b>Net increase (decrease) in cash held</b>	(216)	(374)
1.21 Cash at beginning of quarter/year to date	584	742
1.22 Exchange rate adjustments to item 1.20	-	-
<b>1.23 Cash at end of quarter</b>	<b>368</b>	<b>368</b>

+ See chapter 19 for defined terms.

## Payments to directors of the entity and associates of the directors

## Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(39)
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Item 1.24: Directors fees.

## Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

None.

## Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	None	Not applicable
3.2 Credit standby arrangements	None	Not applicable
3.3 Credit card facility	None	Not applicable
<p>Item 1.18: This relates to repayment of a loan facility of \$600,000 obtained in September 2015 (<b>Loan Facility</b>).</p> <p>Item 1.20: This relates to interest and establishment fee for the Loan Facility.</p>		

## Reconciliation of cash

+ See chapter 19 for defined terms.

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	<b>Current quarter</b>  <b>\$A'000</b>	<b>Previous quarter</b>  <b>\$A'000</b>
4.1 Cash on hand and at bank	343	559
4.2 Deposits at call	25	25
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)	368	584

### Acquisitions and disposals of business entities

	<b>Acquisitions</b> <i>(Item 1.9(a))</i>	<b>Disposals</b> <i>(Item 1.10(a))</i>
5.1 Name of entity	None	None
5.2 Place of incorporation or registration	Not applicable	Not applicable
5.3 Consideration for acquisition or disposal	Not applicable	Not applicable
5.4 Total net assets	Not applicable	Not applicable
5.5 Nature of business	Not applicable	Not applicable

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Andrew McLellan  
Managing Director

Date: 28 January 2016

---

+ See chapter 19 for defined terms.