

## REPORT FOR SECOND QUARTER FY16

Antaria Limited is a specialist manufacturer and supplier of materials used in the personal care and cosmetic sectors.

Antaria's two primary products are ZinClear™ a transparent zinc oxide based broad spectrum UV absorber for use in the sun care and cosmetics sector and Alusion™ an aluminium oxide pigment with applications in cosmetics products.

Antaria services its international customer-base via a global network of distributors.

### ASX: ANO

#### Directors

Rade Dudurovic (Chairman)

Ron Higham

Lev Mizikovsky

#### Company Secretary

Geoff Acton

### Quarterly Overview

- Cash flow from operations for the December 2015 quarter was an outflow of \$317,200 compared to an outflow of \$180,986 for the December 2014 quarter, reflecting the seasonality in Antaria's sales and receipts cycle.
- The quarter showed a continuation of the positive growth in sales, particularly of the ZinClear™ range of products, resulting in strong invoicing during the quarter with receivables totalling \$1.412 million at 31 December 2015 compared with \$1.244 million at 31 December 2014. The prior year receivables balance however included a Research & Development receivable of \$0.344 million, whereas the 31 December 2015 balance does not, as the R&D claim for the 2015 financial year is still being finalised and will be lodged and accounted for in the 3<sup>rd</sup> quarter of FY16.
- The collection of the outstanding receivables balance at 31 December 2015 will benefit cash flow in the 3<sup>rd</sup> quarter of FY 16.
- Demand for the ZinClear™ range of products continues to improve due to the expansion of the distribution network and as a result of the investment in new formulations and samples. ZinClear™ revenues in the quarter grew by 46% over the December 2014 quarter.
- Alusion™ revenues, coming off a low base, were 91% higher than the December 2014 quarter, reflecting the resumption of sales to Merck KgaA. Antaria is in the early stages of a commercial dispute with Merck KgaA and this may affect sales of Alusion™ in the next 12 months.
- Antaria's cash balance at the end of the quarter was \$670,675 up from \$608,223 as at 30 June 2015.

#### **For further information, please contact:**

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