

The Manager
Company Announcements Office
ASX Limited

SEPTEMBER QUARTER 2014 APPENDIX 4C

Adelaide, 24 October 2014: LBT Innovations Ltd (ASX: LBT) announces its first quarter cash flow report for the year ending 30 June 2015.

Highlights:

- Cash at the end of September 2014 \$4.52 million (an increase of \$2.73 million on the balance at the end of June 2014).
- Receipt of \$3.01 million from the ATO under the R & D tax concession.
- Receipt of \$1.62 million (before fees) from the 2nd tranche of the share placement and the SPP announced on June 18th 2014.
- Receipt of royalty income under the agreement with bioMérieux. The receipt of \$US150,000 represents the second quarter of the minimum royalty payment due for the 2014 calendar year. Minimum royalties for the full 2014 calendar year will total \$US600,000.

Other cash flows for the quarter related to normal operating activities.

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About LBT Innovations

LBT Innovations (LBT) is an Australian developer of clinical and diagnostic technology. Based in Adelaide, South Australia, the Company has two breakthrough products in microbiology automation: PREVI® Isola, which provides automation of culture plate streaking and APAS®, a breakthrough in automated culture plate reading, interpretation and reporting. LBT also has a third product in development, Woundvue™, a proposed automation solution to assist in the management of chronic wounds.

LBT has an exclusive global licence agreement with French diagnostics company bioMérieux to manufacture and market PREVI® Isola. LBT receives ongoing royalty payments for PREVI Isola, which has been installed in clinical laboratories in around the world. LBT's APAS® technology is nearing market. Based on LBT's innovative intelligent image interpretative platform, APAS specifically addresses the automated imaging, analysis and interpretation of culture plates following incubation. LBT has entered into a Joint Venture with Hettich AG Switzerland to drive the commercial development and global distribution of APAS instrumentation and software products.

For more information, see www.lbtinnovations.com

CONTACTS

LBT Innovations	Media Relations
Lusia Guthrie CEO Tel: +61 (0)8 8227 1555 E: info@lbtinnovations.com	Rudi Michelson Monsoon Communications Tel: +61 (0)3 9620 3333 E: rudim@monsoon.com.au

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

LBT Innovations Ltd

ABN

95 107 670 673

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter	Year to date (3 months)
		\$A	\$A
1.1	Receipts from customers		
1.2	Payments for		
	(a) staff costs	(197,048)	(197,048)
	(b) advertising and marketing	(2,587)	(2,587)
	(c) research and development	(1,561,089)	(1,561,089)
	(d) leased assets		
	(e) other working capital	(140,012)	(140,012)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	5,788	5,788
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
	Income tax received (R & D Tax Concession)	3,014,158	3,014,158
1.7	Other (provide details if material)		
	Milestone Payment (Joint Venture Agreement)		
	Royalties (PREVI® Isola)	159,574	159,574
	Royalty Payment		
	Export Market Development Grant		
24	Net operating cash flows	1,278,784	1,278,784

+ See chapter 19 for defined terms.

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

	Current quarter \$A	Year to date (3 months) \$A
1.8 Net operating cash flows (carried forward)	1,278,784	1,278,784
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(11,459)	(11,459)
(e) other non-current assets development expenditure		
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 (provide details if material) Patent Costs / Trade Mark Costs		
Net investing cash flows	(11,459)	(11,459)
1.14 Total operating and investing cash flows	1,267,325	1,267,325
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,619,451	1,619,451
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (Share registry fees & capital raising costs)	(170,166)	(170,166)
Net financing cash flows	1,449,285	1,449,285
Net increase (decrease) in cash held	2,716,610	2,716,610
1.21 Cash at beginning of quarter/year to date	1,790,762	1,790,762
1.22 Exchange rate adjustments	14,601	14,601
1.23 Cash at end of quarter	4,521,973	4,521,973

+ 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
1.24	Aggregate amount of payments to the parties included in item 1.2	153,378
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Directors Fees

Item 1.24 includes remuneration paid to the Directors including remuneration paid to the Managing Director.

Popper and Company LLC

Item 1.24 also includes an amount paid to Popper and Company LLC. This is a company controlled by Caroline Popper. Popper and Company LLC was engaged to provide consultancy services to the company and was paid \$20,969 in the September quarter.

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

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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

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Appendix 4C
Quarterly report for entities
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Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A	Amount used \$A
3.1 Loan facilities		
3.2 Credit standby arrangements	40,000	34,466

Reconciliation of cash

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.	Current quarter \$A	Previous quarter \$A
4.1 Cash on hand and at bank	521,973	1,775,762
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (Term Deposits)	4,000,000	15,000
Total: cash at end of quarter (item 1.23)	4,521,973	1,790,762

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

+ See chapter 19 for defined terms.

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.

Sign here: 

Date: 24 October, 2014

Print name: Lusia Guthrie

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.