



30 April, 2015
Company Announcements Office
Australian Stock Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

Anteo Diagnostics Limited (ASX:ADO) attaches its Appendix 4C for the quarter ending 31 March 2015.

CEO ACTIVITIES REPORT – QUARTER ENDED 31 MARCH 2015

Dear Fellow Shareholders,

This has been an active quarter for Anteo with a number of significant announcements made across our five key strategic growth areas:

- Exploiting Our IP
- Expanding Core Competencies and IP
- Developing our Product Pipeline
- Exploring Non-Core Opportunities
- Acquisition of Synergistic Assets

The number and strength of these achievements reflects the substantial progress being made in reaching our corporate goals. The culmination of these announcements and the depth and breadth of the opportunities means we now look with greater certainty at the quantum expansion of shareholder value over time.

This report will focus on the significance this quarter's activities have on the development and value of our company.

Exploiting Our IP

Exploiting IP, by our definition, encompasses the work we undertake with targeted companies to:

- license the use of Mix&Go
- enter into supply agreements
- establish Research and Collaboration agreements.

1. **POC1** - our scientists commenced the next phase of work with POC1 following the signing of an expanded and funded agreement with the large global healthcare company we, for reasons of confidentiality, refer to as POC1. POC1 is developing a handheld immunoassay analyser, a point-of-care device, to better diagnose health conditions in a more timely manner. Research, using Anteo's proprietary technology, conducted on beads to date has delivered positive results that satisfy the requirements of POC1.

The importance of this new agreement is:

- a. Increased financial return to Anteo.



- b. The opportunity to achieve platform incorporation of Mix&Go in POC1's device is significant.
- c. The additional R&D focus on the sensor provides Anteo with a holistic perspective of our customer's device, and equips us to solve the broader constraints in order to achieve the device's full potential.
- d. An increasingly collegial approach is emerging and includes POC1 making resources available to us to drive the research and seek improved solutions using our platform technology.
- e. The novel applications of Mix&Go, and all associated intellectual property, were captured in Anteo's recent patent applications.

POC1 is clearly committed to the Anteo Mix&Go alternative.

To date, Anteo's scientists have already exceeded the stretch target for one critical facet of the project.

2. **Veritas** – The execution of a distribution agreement with Veritas in Japan is an important and strategic step in entering the coveted Japanese market, and the first of a number of international agreements we look to complete this year.

Veritas is a trusted distributor of cutting edge products from around the world to the Japanese life sciences research community and is also the distributor of products for other companies we are engaged with, such as Dynal and Luminex.

Veritas has begun introducing Anteo Mix&Go and AMG products to their customers. We are working proactively to meet commercialisation targets in Japan and representatives from our business development team are visiting Veritas next month to further develop opportunities with several Japanese IVD companies.

3. **IMRA** – We have completed the Research and Collaboration project on gold particles and both parties are pleased with the results. We are now moving to the product development phase of the engagement with IMRA. This is progressing well and is an example of our ability to develop tailored product lines for specific applications of benefit to our customers.
4. **Mix&Go Applications** – We are now exploiting our foundation IP and know-how to extend our IPR and business prospects. Last quarter, following the lodgement of our Heterofunctional Binding Systems patent in June 2014, we provided some information on our work to exemplify the patent and enhance our skills in the areas covered by the patent. Co-coupling is one of those areas and is a task that is extremely difficult without Mix&Go.

We can report the collaboration with our partner on a project in this area is delivering encouraging results and we have received positive feedback following feasibility work undertaken by an IVD customer.

5. **Collaboration** – A number of Research and Collaboration projects were mentioned in last quarter's report including those with BBI, a Global Life Science Company and a company active in the veterinary field. All are progressing well. We look forward to making individual announcements concerning each of these projects.



The announcements made this quarter reflect the momentum and breadth of our business development and the ongoing and increasing input from our target customers.

Expanding Core Competencies and IP

This quarter we filled two patent applications:

1. A Bioseparations patent for sample pre-treatment that is for use in diagnostic platforms; and
2. A patent covering inventions made in the energy sector, using our nanometre thin coating technologies.

From the company's inception Chief Scientific Officer, Dr Joe Maeji saw considerable potential for Anteo's unique patented technology platform to be applied in a number of diverse fields.

Both of these patents apply our core competencies for purposes that are quite distinct from our traditional immunoassay emphasis. They are both complementary and add significantly to the value propositions of our company.

The pre-treatment patent addresses various sample specific interferences in IVD tests that can result in erroneous results and lead to unfavourable patient outcomes. There is a need for a simple, inexpensive, automatable and effective solution to mitigate sample specific interferences without altering or changing the sample composition.

In the U.S. alone up to 10 billion laboratory tests are performed each year, and the global immunoassay instruments and reagents market is expected to reach \$19.1 billion by 2018. Anteo Technologies is exploring strategic partnership opportunities to co-develop novel serum depletion products that have the potential to pre-treat hundreds of millions of patient specimens worldwide and improve the quality of reported patient results.

This use of Anteo nanotechnology is applicable in traditional high throughput IVD systems, molecular spectroscopy and Point of Care sectors of the IVD market.

The "battery" patent is a truly novel yet simple application of Anteo nanotechnology. It is clear that there is significant potential in the energy field, which we aim to realise. We have established a special purpose entity with a focused budget, Anteo Energy Pty. Limited, to explore this exciting opportunity in energy.

Anteo's coating technology provides a "drop-in" approach for developing high performance battery materials, compatible with current and near term battery manufacturing processes. Large investments in new materials and new plants are not likely to be required.

Early data indicates that a successful development program has the potential to deliver batteries with:

1. Significantly higher charging capacity when compared with current batteries and competing technologies under development.
2. Better charge/discharge efficiency allowing batteries to deliver more power for longer to the end user; and



3. Significantly faster charging and longer lasting batteries.

For example, the lithium ion battery market is large and growing rapidly. Estimates place the current market size at about \$30 billion pa and it is expected to increase to \$50 billion pa by 2018.

Key sectors in the market applicable to Anteo technology include automotive, mobile phones and tablets, laptops, power tools, toys, other portable electronic devices, defence and renewable energy storage. Automotive has the most potential for growth.

Developing Our Product Pipeline

Anteo continues to drive product development using the Mix&Go core technology. We have launched the AMG™ Activation Kit for Multiplex Microspheres with great reception, including support from Luminex® in a blog they released earlier this month (<http://www.luminexcorp.com/blog/>). The AMG Kit was specifically designed for use with the Luminex xMap® platform and is compatible with both MicroPlex® and MagPlex® microspheres. Anteo has partnered with one of two recommended Luminex clinical trial organisations to validate this product for IVD use. Success on this front will likely encourage commercial interest from Luminex IVD partners.

The AMG™ Coupling Kit, 200 nm Magnetic Particles will be launched shortly. We have received positive feedback from trialling this product for a range of different uses beyond immunoassays, before release.

Exploring Non-core Opportunities

This quarter we have seen the realisation of some of our non-core opportunities. Others are expected to follow in due course.

We have already discussed the two patent filings this quarter and the tangible value they bring.

Two other active opportunities worthy of mention are:

1. **Medical Devices** – our announced agreements with Cook Medical and the University of Queensland are examples of the application of Anteo's nanotechnologies on medical devices. Both demonstrate the ability to create uniform coatings with desired characteristics; and affirm their use within the body (in vivo).

The paid project with Cook, the world's largest privately owned medical device company, is a concrete step into the medical device market. We are one of a very select group working with Cook and look forward to developing the relationship as this year progresses.

2. **Bioseparations** –our work in this area during the last quarter continues with a Global Life Science Company. This project started with work using the AMG™ Coupling Kit, 1µm Magnetic Particles that provided a successful outcome. We are



anteo diagnostics

now working with them to develop a proprietary product assessing a variety of different magnetic particles coated with Mix&Go. To date all are performing well and this collaboration has great potential to expand beyond the current areas of interest.

Acquisition of Synergistic Assets

We continue to work with our adviser on a number of potential targets.

In summary

I am pleased to report that Anteo's core business activities are maturing. We have delivered strong results this quarter, securing a number of expanded and constructive partnerships with key international companies. We are continuing to identify and develop new opportunities. As mentioned, there is depth and breadth of activity at Anteo and we are steadily progressing projects for realisation in the near term. Our non-core activities, especially in medical devices and batteries are becoming reality and this is very likely to deliver shareholder value beyond the core diagnostic business.

Each new activity stream is an endorsement of the value and scope of our nanotechnology platform.

Our cash position at the end of the quarter was approximately \$5.7m.

Dr Geoff Cumming
CEO
Anteo Diagnostics Limited

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Anteo Diagnostics Limited

ACN or ARBN

Quarter ended
("current quarter")

75-070-028-625

31-Mar-15

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from customers and government grants	227	2,035
1.2	Payments for		
	(a) staff costs	(627)	(1,712)
	(b) advertising and marketing	(258)	(622)
	(c) research and development (excluding staff costs relating to R&D)	(151)	(475)
	(e) other working capital	(404)	(1,353)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	30	121
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
	Net operating cash flows	(1,183)	(2,006)

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		Current quarter \$A'000	Year to date (9 months) \$A'000
1.8	Net operating cash flows (carried forward)	(1,183)	(2,006)
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) Businesses	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(7)	(323)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) Businesses	-	-
	(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	Adjustment for cash remaining in subsidiary entity at disposal	-	-
	Net investing cash flows	(7)	(323)
1.14	Total operating and investing cash flows	(1,190)	(2,329)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	-	919
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:		
	Conversion of converting notes	-	-
	Interest paid on converting notes	-	-
	Capital raising costs	-	-
	Net financing cash flows	-	919
	Net increase (decrease) in cash held	(1,190)	(1,410)
1.21	Cash at beginning of quarter/year to date	6,851	7,071
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	5,661	5,661

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1.20

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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	225
1.25	Aggregate amount of loans to the parties included in item 1.11	NIL
1.26	Explanation necessary for an understanding of the transactions	

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

NIL

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

NIL

Financing facilities available

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

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	NIL	NIL
3.2	Credit standby arrangements	NIL	NIL

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'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	5,543	6,733
4.2	Deposits at call	118	118
4.3	Bank overdraft		-
4.4	Other - Funds held in trust re. Open Prospectus Offer		-
Total: cash at end of quarter (item 1.23)		5,661	6,851

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Acquisition/disposal of subsidiary		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets at date of acquisition/disposal		
5.5	Nature of business		

Compliance statement

1

This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act 2001 (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: 30 April 2015

(Director)

Print name: **Richard Martin**