



29 July 2016

Company Announcements Office  
Australian Securities Exchange  
Exchange Centre  
20 Bridge Street  
Sydney, NSW 2000

Dear Sir/Madam

**ASX ANNOUNCEMENT (ASX: MDC) – Appendix 4C**

Please find attached a copy of Medlab's Appendix 4C for the June 2016 Quarter. The Company is reporting a cash balance of \$801k. The June quarter showed an increase in payments for inventory as its nutraceutical range expanded, along with an improvement in receipts from customers to \$614k. Furthermore, a record sales month was achieved in the month of June 2016.

On 18 July 2016 the Company announced a fully underwritten pro rata renounceable rights issue on the basis of 1 new share for every 9 existing shares in Medlab (Rights Issue). The Rights Issue seeks to raise approximately \$5,361,150.00 (before costs) through the issue of approximately 17,870,500 new fully paid ordinary shares in Medlab. Medlab's capital raising is fully underwritten by its leading non-management shareholder Farjoy Pty Ltd.

The Company is anticipating receipt of the 2016 R&D Tax Concession in the first quarter, FY 2017. Based on last year, the Company received in excess of \$800,000 and the Company does not see any reason why it would not be eligible for at least the same amount this year.

Yours Sincerely

Alan Dworkin  
Company Secretary

# Appendix 4C

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

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

MEDLAB CLINICAL LIMITED

ABN

51 169 149 071

Quarter ended ("current quarter")

30 June 2016

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	614	1,579
1.2 Payments for		
(a) staff costs	(507)	(1,825)
(b) advertising and marketing	(84)	(242)
(c) research and development (incl staff costs)	(219)	(976)
(d) leased assets	(104)	(312)
(e) other working capital	(299)	(1,657)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	51
1.5 Interest and other costs of finance paid	(1)	(9)
1.6 Income taxes paid	-	-
1.7 Other		
a) payments for inventory	(460)	(1,141)
b) IP costs	(43)	(205)
c) R&D Incentive refund	-	839
<b>Net operating cash flows</b>	<b>(1,095)</b>	<b>(3,898)</b>

+ See chapter 19 for defined terms.

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	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,095)	(3,898)
<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	(25)	(80)
(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 (provide details if material)	-	-
<b>Net investing cash flows</b>	(25)	(80)
<b>1.14 Total operating and investing cash flows</b>	(1,120)	(3,978)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	-	6,167
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	(755)
1.19 Dividends paid	-	-
1.20 Other		
- Cost of share issues	-	(731)
<b>Net financing cash flows</b>	-	4,681
<b>Net increase (decrease) in cash held</b>	(1,120)	703
1.21 Cash at beginning of quarter/year to date	1,928	116
1.22 Exchange rate adjustments to item 1.20	(7)	(18)
1.23 <b>Cash at end of quarter</b>	801	801

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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	93
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Director fees/wages

### 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	-	-
3.2	Credit standby arrangements	-	-

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**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	274	408
4.2 Deposits at call	527	1,520
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>801</b>	<b>1,928</b>

**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		

**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: 29 July 2016  
 (Company Secretary)

Print name: Alan Dworkin

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## Notes

1. On 18 July 2016 the Company announced a fully underwritten pro rata renounceable rights issue on the basis of 1 new share for every 9 existing shares in Medlab (Rights Issue). The Rights Issue seeks to raise approximately \$5,361,150.00 (before costs) through the issue of approximately 17,870,500 new fully paid ordinary shares in Medlab. Medlab's capital raising is fully underwritten by its leading non-management shareholder Farjoy Pty Ltd.
2. The entity is anticipating receipt of the 2016 R&D Tax Concession in the first quarter, FY 2017. Based on last year, the Company received in excess of \$800,000 and the Company does not see any reason why it would not be eligible for at least the same amount this year.
3. 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.
4. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
5. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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.

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