



**Rockeby biomed Limited Group (“Rockeby”)
March 2009 Quarterly and Milestone Report**

HIGHLIGHTS

- Group sales continues to grow and is expected to significantly exceed prior year FY08 . Reported sale for the first half of FY2009 was \$667,000 and this represented an increase of more than two-third over the full year of FY2008.

Key Activities

- On 29 October 2008, the Group announced that it was awarded two grants by the Singapore Standards, Productivity and Innovation Board (SPRING Singapore) under the Technology Enterprise Commercialisation Scheme (TECS). The first grant of S\$250,000 awarded under Proof of Concept (POC) is for the development of a magnetic detection platform for rapid and sensitive lateral flow test, while the second grant of S\$500,000 is awarded under Proof of Value (POV), to upscale the production of a rapid and sensitive test incorporating fluorescence technology for the field diagnosis of influenza A, including avian flu.
- The Group received an advance for each of the two projects in December 2008 to kick start the projects, These two projects have since started and are reaching milestones. Future drawdown on these 2 funds will be on a reimbursement basis.

Funding

On 28th November 2008, shareholders approved the Group’s re-capitalisation exercise in the annual general meeting. The Re-capitalisation proposal was made by a syndicate of sophisticated Singaporean investors led by the current Managing Director, Dr Tan Sze Wee (“Syndicate”).

The Group has raised a total of \$1.016m (before cost) via the re-capitalisation exercise.

The grant of 49,382,716 options to the Syndicate to acquire Shares (“Options”) exercisable at 2 cents each over a two year period following the date of shareholders’ approval to the Syndicate. If exercised, these options will inject a further \$1,000,000 over the two year period.

Cash Flow

- Cash position

The Group's cash position at the end of March 2009, net of bank overdrafts, was \$367,000.

Cash outflow from operating activities during the quarter was \$908,000. They were for staff cost \$204,000 (Q2 2009: \$236,000), advertising and marketing cost \$91,000 (Q2 2009: \$101,000), research and development \$90,000 (Q2 2009: 109,000) and other working capital \$581,000 (Q2 2009: \$487,000). The Group went through a significant cost restructuring exercise with significant payroll cost cut and rationalisation of spending. Significant cash outflow during the quarter was primarily to pay inventory suppliers to ensure supply for production, and hence, sales.

Cash receipt for the 9 months ended 31 March 2009 was \$1.1million, primarily from sale pre and post –sales collection.

New Developments

The Group notes that there is a recent outbreak of Swine Influenza in Mexico. The World Health Organisation has issued laboratory guidelines which states that rapid influenza tests designed for testing Influenza A can be used for testing Swine Influenza. The Group's Human Influenza A rapid test can be used for the testing of Swine Influenza.

About Rocheby biomed:

Rocheby biomed Limited is a Singapore-based, ASX-listed (ASX: RBY) healthcare company specialising in research, development and marketing of rapid testing technologies for infectious disease in humans and animals and lifestyle health products including CanDia5®, Avian Influenza Virus test kits and Pepp®.

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Appendix 4C

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

Name of entity

Rockeby biomed Limited Group

ABN

43 106 093 305

Quarter ended ("current quarter")

31st March 2009

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 | 77 | 1,168 |
| 1.2 Payments for (a) staff costs | (204) | (606) |
| (b) advertising & marketing | (91) | (277) |
| (c) research & development | (90) | (283) |
| (d) leased assets | (1) | (1) |
| (e) other working capital | (581) | (1,411) |
| 1.3 Dividends received | | |
| 1.4 Interest and other items of a similar nature received | 1 | 6 |
| 1.5 Interest and other costs of finance paid | (20) | (42) |
| 1.6 Income taxes paid | | |
| 1.7 Other (provide details if material) – Singapore TECS Grant | | 239 |
| Net operating cash flows | (908) | (1,207) |

+ See chapter 19 for defined terms.

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

| | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--|----------------------------|---------------------------------------|
| 1.8 Net operating cash flows (carried forward) | (908) | (1,207) |
| 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 | (3) | (17) |
| (e) other non-current assets | | (12) |
| 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 | | |
| | (3) | (29) |
| Net investing cash flows | | |
| 1.14 Total operating and investing cash flows | (911) | (1,236) |
| Cash flows related to financing activities | | |
| 1.15 Proceeds from issues of shares, options, etc. | | 1,031 |
| 1.16 Proceeds from sale of forfeited shares | | |
| 1.17 Proceeds from borrowings | 201 | 551 |
| 1.18 Repayment of borrowings | (225) | (350) |
| 1.19 Dividends paid | | |
| 1.20 Other | (1) | (1) |
| Net financing cash flows | (25) | 1,231 |
| Net increase (decrease) in cash held | (936) | (5) |
| 1.21 Cash at beginning of quarter/year to date | 1,302 | 311 |
| 1.22 Exchange rate adjustments to item 1.21 | 1 | 61 |
| 1.23 Cash at end of quarter | 367 | 367 |

+ 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 | 54 |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11 | - |

1.26 Explanation necessary for an understanding of the transactions

| |
|---|
| The aggregate payment represents remuneration paid to managing director of the Group. |
|---|

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

| |
|-----|
| N/A |
|-----|

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

| |
|-----|
| N/A |
|-----|

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 | | |
| 3.2 | Credit standby arrangements | 609 | 609 |

+ See chapter 19 for defined terms.

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

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 | 354 | 1,281 |
| 4.2 Deposits at call | 622 | 621 |
| 4.3 Bank overdraft | (609) | (600) |
| 4.4 Other (provide details) | 0 | 0 |
| Total: cash at end of quarter (item 1.23) | 367 | 1,302 |

Acquisitions and disposals of business entities

| | Acquisitions <i>(Item 1.9(a))</i> | Disposals <i>(Item 1.10(a))</i> |
|---|--------------------------------------|------------------------------------|
| 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 ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:

(~~Director~~/Company secretary)

Date:

Print name:

+ See chapter 19 for defined terms.

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.

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