



28 April 2011
Company Announcements Office
Australian Stock Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

Appendix 4C for the period ending 31 March 2011 (ASX : ADO) Anteo Diagnostics Limited (ASX : ADO) attaches its Appendix 4c for the quarter ending 31 March 2011.

CEO REPORT - QUARTER ENDED 31 MARCH 2011

Dear Shareholders,

I am very pleased to report that, as at the end of March 2011, your company had \$6.75 million cash which, at current levels of expenditure and in the absence of revenues, would be expected to see us through until 2013. A total of \$5.1 million was received through the exercise of 6.5 cent options that expired at the beginning of February. I would like to underline the fact that these options were exercised at a small premium to the prevailing market price. I believe that this is a compelling vindication of the faith that all those parties that exercised options have in the future of our company.

Subsequent to the end of March a quantity of 5.5 cent options were exercised (100% of those outstanding) and our cash reserves, as of the date of this report, are \$7.3 million.

The quarter has seen heightened levels of engagement and collaboration across all sectors in which we are involved. Our immediate focus remains on the IVD suppliers but activities outside that area continue.

Highlights of the quarter include:

BEAD MANUFACTURERS

- Bangs Laboratories have launched “Silica Bind-IT” a second product that is activated using Mix&Go. This product has, at its core, a glass bead and glass (silica) beads are Bangs best selling product. The decision to launch this product came after exhaustive follow-up with customers who were using ProMag Bind-IT to determine their level of satisfaction with the product and the benefits that flowed from its use. Bangs also undertook extensive real-time stability testing with the product to convince themselves that it would not deteriorate with time. They clearly did not want to jeopardise the market acceptance of their flagship product.

Anteo Diagnostics Limited ABN 78 090 487 273

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- Another major bead manufacturer embarked on a collaborative project with us to determine whether we could simplify and accelerate their bead manufacturing process. We have demonstrated that, through the use of Mix&Go™, both Cost of Goods and performance benefits flow. Analysis of the economic impact is expected to lead to commercial negotiations.
- A European bead manufacturer has indicated an interest in developing a Mix&Go™ activated bead for use in the separations market. This company has just been acquired by a global organisation and agreement with the new owners is now being sought to proceed with the project.

***IN VITRO* DIAGNOSTIC SUPPLIERS**

- A project is well advanced with a major global IVD company that has, as its objective, development of an ultrasensitive blood test that delivers consistent results from multiple batches of Mix&Go™. Achievement of this objective is expected to see:
 - this assay replace the existing assay for this test in the market,
 - a Supply Agreement signed for the use of Mix&Go™ with this company, and
 - the use of Mix&Go™ to be migrated broadly across this company's test menu.We expect our inputs to be complete by early May and these results will be submitted to the IVD company's executive committee for commercial consideration.
- Another Top 10 Global IVD company approached us with a desire to enter into a collaborative project. The notion of Anteo as a potential solution to a particular technical challenge was planted by another non-competing global healthcare entity with whom we are already in collaboration. We were asked whether we were prepared to allow some of the confidential data that had been generated to be passed on to the interested party and, of course, we agreed. Work on the project that has been jointly conceived is now in train.
- Work has continued with another major participant in this field and activity levels have risen in response to encouraging results. Three objectives are being pursued with this group:
 - Improving the sensitivity of tests for certain, life threatening, clinical disorders
 - Reducing waste and improving raw material usage
 - Introducing process efficiencies in the manufacture of their commercial test kits

POINT OF CARE MANUFACTURERS

- A global healthcare company is developing a hand-held instrument for use in Point of Care diagnostics. The device, with a limited menu, is slated for launch in mid-2012. The decision to use Mix&Go™ is yet to be made but, given the existing data, we are optimistic that there will be a positive outcome for Anteo.

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CORPORATE

- Lara Iacusso resigned from the Board in February. Lara joined the Board in 2008 and throughout her tenure has provided significant challenge to management thinking that has led to improved operational decisions being made. Her valuable input will be missed but we understand that the ever increasing demands of her existing executive roles left her with little choice. The Board and all in the company would like to thank her for her valuable contribution.
- As has previously been announced the Board has undertaken a review of its composition and structure with a view to ensuring it is able to provide the best possible direction through what are envisaged to be extremely exciting times for the company. The market and shareholders will be kept informed of developments in this area.
- Dr Tina Baumgartner, the Principal of Accella Group, has been appointed as a US based consultant to assist with US and European Business Development. Tina received a PhD from Universität Konstanz in Germany and an MBA from MIT in the US. She has over 11 years experience in business development, corporate strategy, market research, and marketing in the life sciences and biotechnology space in the US. Tina will focus predominantly on companies and segments that are currently untouched. As a result we expect that our list of collaborators will continue to grow.

SUMMARY

In summary, the quarter has provided many sound reasons for continued optimism for our prospects. We are very conscious of the high expectations you have for your company and remain confident that we can deliver.

Dr Geoff Cumming
CEO
Anteo Diagnostics Limited

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Anteo Diagnostics Limited

ACN or ARBN

75-070-028-625

Quarter ended
("current quarter")

31-Mar-11

Consolidated statement of cash flows

		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from customers and government grants	629	714
1.2	Payments for		
	(a) staff costs	(357)	(1,020)
	(b) advertising and marketing	(50)	(229)
	(c) research and development (excluding staff costs relating to R&D)	(100)	(274)
	(d) leased assets	-	-
	(e) other working capital	(238)	(831)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	38	76
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
Net operating cash flows		(78)	(1,564)

NOTES:

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		Current quarter \$A'000	Year to date (9 months) \$A'000
1.8	Net operating cash flows (carried forward)	(78)	(1,564)
	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	(20)	(92)
	(e) other non-current assets	-	-
	Proceeds from disposal of:		
1.10	(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	(20)	(92)
1.14	Total operating and investing cash flows	(98)	(1,656)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	5,245	6,973
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	5,245	6,973
	Net increase (decrease) in cash held	5,147	5,317
1.21	Cash at beginning of quarter/year to date	1,595	1,426
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	6,742	6,742

NOTES:

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	182
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	133	40
4.2	Deposits at call	6,609	1,555
4.3	Bank overdraft		-
4.4	Other - Funds held in trust re. Open Prospectus Offer		-
Total: cash at end of quarter (item 1.23)		6,742	1,595

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: 28 April 2011

(Director)

Print name: **Richard Martin**

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

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

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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.