



29 January 2013  
Company Announcements Office  
Australian Stock Exchange  
Level 6, 20 Bridge Street  
Sydney NSW 2000

**Appendix 4C for the quarter ending 31 December 2012 (ASX:ADO)** Anteo Diagnostics Limited (ASX : ADO) attaches its Appendix 4C for the quarter ending 31 December 2012.

### **CEO ACTIVITIES REPORT – QUARTER ENDED 31 DECEMBER 2012**

Dear Shareholders,

Anteo Diagnostics Limited (ASX:ADO) is pleased to report on its activities for the quarter ending 31 December 2012. This quarter had the following highlights:

- Commercial negotiations with a global life science company for the activation of their products of Mix&Go.
- Affymetrix advised that first FlowCytomix products containing Mix&Go had been sold.
- Received first royalty payment from Affymetrix.
- Negotiated a further paid collaborative project with a Point of Care (POC) developer building on the success of an earlier paid project.
- Produced an instructional video for scientists to demonstrate the use of Mix&Go as set out in protocols.
- Continued positive dialogue with a second POC participant.
- Received “solid phase” material from mid-tier IVD company for us to develop optimal conjugation methods involving Mix&Go.
- Began discussions with the above company on the relevance of Mix&Go on another range of products within their portfolio.
- Entered into commercial discussions with a company wanting to sell Mix&Go activated proprietary plates to their customers.
- Entered into commercial discussions with a company that would sell Mix&Go to universities and other clinical research centres.
- Continued to produce highly encouraging results in our nanoparticle work.

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#### **AFFYMETRIX**

We received our first royalty payment in Q4'12. This activity was a quarter earlier than we anticipated. It remains our view that the Affymetrix acquisition of eBioscience will prompt some integration activities and associated process changes that will cause some delays but the opportunity offered is significantly greater.

#### **PAID POINT OF CARE PROJECT I**

We successfully completed a paid project with a player in the POC field and the objectives of the project were met. Amongst Anteo scientists there is the belief that further gains remain possible. The technical aspects for the next phase of work with this company have been agreed. The financial details for this phase and what might follow are now being considered before work is commenced.

#### **PAID POINT OF CARE PROJECT II**

A project outline has been agreed between the two parties and is currently being reviewed by lawyers from the other party. In the meantime, we have been undertaking some in-house research that is highly relevant to the envisaged project and should ensure some exciting and commercially relevant outcomes.

#### **MICROTITRE PLATE OPPORTUNITIES**

We have previously informed the market about the in-house findings we have made in relation to what we see as a rewarding opportunity in the microtitre plate market. We are now dealing with a range of key players in this area and sharing our data with them. This has led to a number of the industry participants engaging with us to investigate the benefits for their unique purposes. Some assessments remain in the planning stage but others are progressing to the point of commercial discussions.

#### **NANOPARTICLE OPPORTUNITIES**

This project has been progressing quickly and is now arousing commercial interest. There are two broad areas of initial applicability:

Firstly, in the field of bioprocessing, our initial studies indicate that it may be possible to decrease magnetic bioprocessing costs to match, or even be less than, the costs of current column chromatography methods. Column chromatography is seen to have a range of disadvantages that would be eliminated through the use of magnetic separations.

Secondly, the activated nanoparticles that we can produce could allow a low cost, two-step, manufacture of magnetic particles. Commercially available magnetic particles generally require ten

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or more steps to manufacture. Each step adds both cost and the potential for variability to the finished product.

### **IMMUNOPRECIPITATION PROJECT**

Protein A or Protein G bound to magnetic particles are often used to bind antibodies for the purification of antigens. Antibodies can be eluted in unacceptably high levels along with the antigen that is the desired end product. What we have shown is that magnetic particles activated with Mix&Go can bind antibodies directly, without the need for Protein A or Protein G, and that the antigen that is obtained is not contaminated with antibody or other non-specific contaminants that are common with Protein A/G separations.

Immunoprecipitation is a commonly used process to isolate and purify a single protein from a mixture that contains many, sometimes thousands, of proteins. The availability of pure proteins is at the core of much clinical research and is important in the manufacture of many valuable therapeutic drugs.

### **MARKETING ACTIVITIES**

A range of marketing activities have been planned for 2013 including attendance at a number of the key conferences that are supported by our key commercial leads. Papers will be prepared for presentation at several of these events. Marketing collateral has been prepared to inform interested parties about the advantages Mix&Go offers in many of the more commercially relevant applications. Finally, we have commenced the process of developing a range of instructional videos for our scientific audience. The intent of these videos is to demonstrate the use of Mix&Go to the scientists that are interested in using it. The desired result is that the product will be correctly used and generate positive data with minimal drain on our scientific resource.

### **CORPORATE**

During the quarter Anteo received \$1.16M in R&D tax incentive and it's cash balance at the end of December was \$4.197M and expenditures continue to be in line with our expectations.

Finally, we encourage those interested in our company to add their email address to our mailing distribution list [contact@anteodx.com](mailto:contact@anteodx.com) to ensure that they receive newsletters as they are produced. Information sent out by email will also be available on our website.

**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-Dec-12

### Consolidated statement of cash flows

		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from customers and government grants	1,222	1,233
1.2	Payments for		
	(a) staff costs	(436)	(865)
	(b) advertising and marketing	(114)	(256)
	(c) research and development (excluding staff costs relating to R&D)	(173)	(287)
	(d) leased assets	-	-
	(e) other working capital	(238)	(636)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	40	97
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
<b>Net operating cash flows</b>		<b>301</b>	<b>(714)</b>

NOTES:

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		Current quarter \$A'000	Year to date (6 months) \$A'000
1.8	Net operating cash flows (carried forward)	301	(714)
	<b>Cash flows related to investing activities</b>		
1.9	<b>Payment for acquisition of:</b>		
	(a) Businesses	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	0	(76)
	(e) other non-current assets	-	-
	<b>Proceeds from disposal of:</b>		
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	-	-
	<b>Net investing cash flows</b>	<b>0</b>	<b>(76)</b>
1.14	<b>Total operating and investing cash flows</b>	<b>301</b>	<b>(790)</b>
	<b>Cash flows related to financing activities</b>		
1.15	Proceeds from issues of shares, options, etc.	-	104
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	-	-
	<b>Net financing cash flows</b>	<b>-</b>	<b>104</b>
	<b>Net increase (decrease) in cash held</b>	<b>301</b>	<b>(686)</b>
1.21	Cash at beginning of quarter/year to date	3,896	4,883
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	<b>Cash at end of quarter</b>	<b>4,197</b>	<b>4,197</b>

NOTES:

1.20

**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	<b>190</b>
1.25	Aggregate amount of loans to the parties included in item 1.11	<b>NIL</b>

1.26 Explanation necessary for an understanding of the transactions

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**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

<b>NIL</b>
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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

<b>NIL</b>
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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'000	Amount used \$A'000
3.1	Loan facilities	<b>NIL</b>	<b>NIL</b>
3.2	Credit standby arrangements	<b>NIL</b>	<b>NIL</b>

**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	100	19
4.2	Deposits at call	4,097	3,877
4.3	Bank overdraft		-
4.4	Other - Funds held in trust re. Open Prospectus Offer		-
<b>Total: cash at end of quarter (item 1.23)</b>		<b>4,197</b>	<b>3,896</b>

## 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: 29 January 2013

(Director)

Print name: **Richard Martin**

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