

Anteo Diagnostics Limited
Results for Announcement to the Market
Appendix 4D - Half Year report
given to the ASX under listing rule 4.2A

Current Reporting Period
Half year ended 31 December 2012

Previous Reporting Period
Half year ended 31 December 2011

Revenue from ordinary activities	up	427%	to	\$1,328,447
Profit / (loss) from ordinary activities after tax attributable to members	down	56%	to	(\$736,327)
Net profit / (loss) for the period attributable to members	down	56%	to	(\$736,327)

Dividends / distributions	Amount per security	Franked amount per security
Interim dividend	\$ -	\$ -
Final dividend	\$ -	\$ -

The directors do not propose or recommend the payment of a dividend

Record date for determining entitlements to the dividend

Not applicable

For an explanation of the figures reported above please see the attached Interim Financial Report.

These accounts have been reviewed.

This information should be read in conjunction with the most recent annual financial report.

Net tangible assets

As at 31 December 2012
cents per share

As at 30 June 2012
cents per share

Net tangible assets backing per ordinary share

0.00

0.00

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ANTEO DIAGNOSTICS LIMITED AND ITS CONTROLLED ENTITIES
ABN 75 070 028 625

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

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ANTEO DIAGNOSTICS LIMITED AND ITS CONTROLLED ENTITIES
ABN 75 070 028 625

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

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CORPORATE DIRECTORY

Directors

Mark Bouris	Non Executive Chairman
Geoffrey Cumming	CEO, Executive Director
Richard Martin	Executive Director
Sandra Andersen	Non Executive Director

Company Secretary Shane Hartwig

Registered office 4/26 Brandl Street, Eight Mile Plains QLD 4113

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Auditors Grant Thornton
102 Adelaide Street, Brisbane QLD 4000

Patent attorneys Freehills Patent Attorneys
101 Collins Street, Melbourne VIC 3000

Share registry Boardroom Pty Limited
Level 2, 28 Margaret Street, Sydney NSW 2000

Insurance advisors Marsh Pty Limited
123 Eagle Street, Brisbane QLD 4000

Yellow Brick Road Wealth Management Pty Limited
1 Chifley Square, SYDNEY, 2001

Bankers Australia and New Zealand Banking Group Limited
3 Sherwood Road, Toowong QLD 4066

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2012

The Directors of Anteo Diagnostics Limited submit herewith the financial report for the half-year ended 31 December 2012. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

The names of the Directors of the Company during or since the end of the half-year are:

Dr Mark Bouris
Dr Geoffrey Cumming
Mr Richard Martin
Mrs Sandra Andersen

REVIEW OF OPERATIONS

The Company continued to successfully execute its business plan and to experience strong, and more diversified, activity for the period through to the date of this report. Important milestones include:

- Expanding the validated applications for Mix&Go™ from its historical base of magnetic beads to a broad variety of new platforms and surfaces including:
 - Bare silica beads
 - Silica slides
 - Acid, amine, hydroxy, epoxy and non-functionalised polymer beads
 - Sepharose, polyvinylalcohols, metal oxides, ceramics, gold
 - Plain polystyrene plates, as well as
 - Extending further the range of applicable magnetic beads
- A most exciting development has been with magnetite (Fe₃O₄) nanoparticles. These particles, which are as small as 10 nm, when activated with Mix&Go™ produced 4 times the antibody loading capacity observed with the industry leading commercially available product - Life Technologies Protein A M-270 magnetic particles. This development opens a range of opportunities given the low cost and abundance of magnetite.
- The broadening validation of Mix&Go™ on different platforms has seen the potential applications for Mix&Go™ increase to now span the spectrum from *In Vitro Diagnostics* and R&D immunoassays (incorporating both antibody and antigen down assays) to *Point Of Care*, Biosensors and now separations and immunoprecipitation.
- The patent portfolio continued to strengthen with a number of developments through the period. Firstly, the European Patent Office issued a notice of allowance for the "Use of Metal Complexes" patent. More recently, the "Binding System" patent application is now entering the "national phase" and we have instructed our patent attorneys on the jurisdictions in which we want to file these cases. We have elected to include China, India and Brazil.
- The receipt of our first royalty payment from Affymetrix and paid Research and Collaboration fees from a Point of Care project represented a gradual, but important, step towards establishing the Mix&Go™ business.

During the half-year the Company has continued to apply its capital prudently whilst meeting the needs of our expanding number of external assessments. A range of tactics, including the production of instructional videos and other support materials, have been employed to assist us in providing the appropriate level of service whilst reducing the time required, per customer, by our scientists.

The current level of interest in the Mix&Go™ technology has our internal resources fully deployed as the range and quantity of interactions continues to grow. In support of this demand we have continued to enhance the skills of our scientific team and have made several additions to our team. The new staff have been able to complement our existing skill sets in areas of emerging relevance to our developing company.

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Discussions and work with potential customers continues to expand our horizons and represents a considerable increase in workload over the corresponding period last year. Whilst the large companies spend considerable time assessing the Mix&Go™ technology and undertaking due diligence and Freedom to Operate assessments, we are able to devote more time to the broader, and less regulated, opportunities that exist in the Life Sciences sector. We remain confident that this strong pipeline of opportunities will result in commercial agreements for Anteo.

We look forward to reporting on further progress in many of these activities through the remainder of this financial year.

RESULT FOR THE PERIOD

The net loss after tax for the half-year ending 31 December 2012 was \$736,327 compared with a loss of \$1,681,216 in the same period last year. During the period a Research and Development Taxation Concession Rebate of \$1,164,415 was received, compared with nil for the same period last year. Last year, subsequent to balance date a Rebate of \$787,327 was received.

As at 31 December 2012, the Company maintained cash reserves of \$4,197,362.

DIVIDENDS

The Directors have not declared a dividend to be paid during the period.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration (as required under Section 307C of the Corporations Act 2001) is shown on page 11 and forms part of this report.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the Directors



Dr Mark Bouris
Chairman
Sydney, Dated 22 February 2013

ANTEO DIAGNOSTICS LIMITED AND ITS CONTROLLED ENTITIES
ABN 75 070 028 625

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED
31 DECEMBER 2012

	Note	31 December 2012 \$	31 December 2011 \$
Other revenue from ordinary activities	2	1,328,447	251,894
Selling, distribution and business development expenses		(465,030)	(316,621)
Occupancy expenses		(70,991)	(71,047)
Administration expenses		(279,285)	(439,760)
Borrowing costs	2	(3)	(4)
Research and development expenses		(1,249,465)	(1,105,678)
Other expenses from ordinary activities		-	-
Loss from ordinary activities before income tax		(736,327)	(1,681,216)
Income tax benefit relating to ordinary activities		-	-
Loss from ordinary activities after income tax		(736,327)	(1,681,216)
Loss attributable to members of the parent entity		(736,327)	(1,681,216)
Other Comprehensive Income		-	-
Total Comprehensive Income		(736,327)	(1,681,216)
Basic earnings per share (cents per share)		(0.1)	(0.2)
Diluted earnings per share (cents per share)		(0.1)	(0.2)

The financial statements should be read in conjunction with the accompanying notes.

ANTEO DIAGNOSTICS LIMITED AND ITS CONTROLLED ENTITIES
ABN 75 070 028 625

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

Consolidated Group

	31 December 2012 \$	30 June 2012 \$
CURRENT ASSETS		
Cash assets	4,197,362	4,883,174
Receivables	42,901	42,712
Other	20,774	2,767
TOTAL CURRENT ASSETS	<u>4,261,037</u>	<u>4,928,653</u>
NON-CURRENT ASSETS		
Property, plant and equipment	294,021	282,745
TOTAL NON-CURRENT ASSETS	<u>294,021</u>	<u>282,745</u>
TOTAL ASSETS	<u>4,555,058</u>	<u>5,211,398</u>
CURRENT LIABILITIES		
Payables	168,664	238,612
Provisions	213,422	200,221
TOTAL CURRENT LIABILITIES	<u>382,086</u>	<u>438,833</u>
TOTAL LIABILITIES	<u>382,086</u>	<u>438,833</u>
NET ASSETS	<u>4,172,972</u>	<u>4,772,565</u>
EQUITY		
Contributed equity	32,250,376	32,120,941
Accumulated losses	<u>(28,077,404)</u>	<u>(27,348,376)</u>
TOTAL EQUITY	<u>4,172,972</u>	<u>4,772,565</u>

The financial statements should be read in conjunction with the accompanying notes.

ANTEO DIAGNOSTICS LIMITED AND ITS CONTROLLED ENTITIES
ABN 75 070 028 625

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Contributed Equity		Accumulated Losses \$	Total \$
	Ordinary Shares \$	Options \$		
Balance at 1 July 2011	31,749,967	109,384	(24,968,177)	6,891,174
Issued during the year	-	-	-	-
Options expensed for the period	-	176,435	-	176,435
Losses attributable to members of the parent entity	-	-	(1,681,216)	(1,681,216)
Balance at 31 December 2011	31,749,967	285,819	(26,649,393)	5,386,393
Balance at 1 July 2012	31,808,049	312,892	(27,348,376)	4,772,565
Issued during the year	103,500	-	-	103,500
Options expensed for the period	-	33,234	-	33,234
Options lapsed for the period	-	(7,299)	7,299	-
Options converted to shares for the period	1,048	(1,048)	-	-
Losses attributable to members of the parent entity	-	-	(736,327)	(736,327)
Balance at 31 December 2012	31,912,597	337,779	(28,077,404)	4,172,972

The financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Consolidated Group

	31 December 2012 \$	31 December 2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	61,895	87,090
Receipt from R&D Tax Incentive	1,164,415	-
Payments to suppliers and employees	(2,042,842)	(1,631,534)
Borrowing costs	(3)	(4)
Interest received	103,195	266,484
Net cash (used in) operating activities	<u>(713,340)</u>	<u>(1,277,964)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for property, plant and equipment	(75,972)	(57,012)
Net cash (used in) investing activities	<u>(75,972)</u>	<u>(57,012)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issues of shares, options, etc.	103,500	-
Net cash (used in) provided by financing activities	<u>103,500</u>	<u>-</u>
Net increase (decrease) increase in cash held	(685,812)	(1,334,976)
Opening cash brought forward	4,883,174	6,863,593
Closing cash carried forward	<u>4,197,362</u>	<u>5,528,617</u>

The financial statements should be read in conjunction with the accompanying notes.

1. Summary of accounting policies

Basis of Preparation

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001, AASB 134 Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half-year financial report does not include disclosures or notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and any other public announcements made during the half-year in accordance with the continuous disclosure requirements arising under the Australian Stock Exchange Listing Rules and the Corporations Act 2001.

The accounting policies set out below have been applied in preparing the financial statements for the half-year ended 31 December 2012.

(a) Going Concern

As at 31 December 2012, the company had cash reserves of \$4,197,362. The Board believes that based upon current spending forecasts there is adequate funding to provide for the Company's requirements to complete its strategic plan and in any case beyond 12 months of operation.

Consolidated Group

2. Loss from Ordinary Activities

	31 December 2012 \$	31 December 2011 \$
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The loss from ordinary activities before income tax expense has been determined after:

Depreciation of non-current assets:

Loss on write-off	1,388	-
Plant and equipment	63,309	49,230
Total depreciation of non-current assets	<u>64,697</u>	<u>49,230</u>

Borrowing costs:

Interest, other persons	3	4
	<u>3</u>	<u>4</u>

Movements in provisions:

Employee benefits increase / (decrease)	13,200	26,140
	<u>13,200</u>	<u>26,140</u>

Staff Remuneration

Salaries	794,446	714,872
Superannuation	69,788	63,649
Share Based Payments	16,977	147,960
	<u>881,211</u>	<u>926,481</u>

Other Revenue from ordinary activities

Other revenue from operating activities	63,995	77,876
R&D Tax Concession Rebate	1,164,415	-
Interest – other corporations	100,037	174,018
	<u>1,328,447</u>	<u>251,894</u>

3. Operating Lease Commitments

Payable:

- Not later than one year	291,479	231,612
- Later than one year and not later than five years	1,225,200	-
	<u>1,516,679</u>	<u>231,612</u>

Receivable:

- Not later than one year	70,666	41,604
- Later than one year and not later than five years	94,363	8,893
	<u>165,029</u>	<u>50,497</u>

4. Events Subsequent to Reporting Date

There were no material events subsequent to Balance Date

5. Options Issued

During the period 500,000 options maturing on 25th October, 2015 with an exercise price of \$0.12 were issued to an employee as part of the Anteo Diagnostics Limited Officer, Employee and Consultants Share Option Plan and a value of \$1,442 was charged.


DIRECTORS' DECLARATION

In the opinion of the directors:

- a. the consolidated financial statements and notes of Anteo Diagnostics Limited set out on pages 4 to 9 are in accordance with the Corporations Act 2001, including
 - i. giving a true and fair view of its financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
 - ii. complying with Accounting Standard AASB 134 Interim Financial Reporting; and
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:.

On behalf of the Directors



.....
Dr. Mark Bouris
Chairman

Dated 22 February 2013

AUDITOR'S INDEPENDENCE DECLARATION**TO THE DIRECTORS OF ANTEO DIAGNOSTICS LIMITED**

Grant Thornton Audit Pty Ltd
ACN 130 913 594

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In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Anteo Diagnostics Limited for the half-year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M S Bell
Partner - Audit & Assurance

Brisbane, 22 February 2013

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INDEPENDENT AUDITOR'S REVIEW REPORT

Grant Thornton Audit Pty Ltd
ACN 130 913 594

TO THE MEMBERS OF ANTEO DIAGNOSTICS LIMITED

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We have reviewed the accompanying half-year financial report of Anteo Diagnostics Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of Anteo Diagnostics Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Anteo Diagnostics Limited consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Anteo Diagnostics Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Anteo Diagnostics Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M S Bell
Partner - Audit & Assurance

Brisbane, 22 February 2013