



30 January, 2015  
Company Announcements Office  
Australian Stock Exchange  
Level 6, 20 Bridge Street  
Sydney NSW 2000

Anteo Diagnostics Limited (ASX:ADO) attaches its Appendix 4C for the quarter ending 31 December 2014.

## CEO ACTIVITIES REPORT – QUARTER ENDED 31 DECEMBER 2014

Dear Fellow Shareholders,

Following the Annual General Meeting in November 2014 we reviewed the strategic plan that we have developed for the growth of Anteo and how we may better communicate it to the investment community and our shareholders. In the past I have reported on a project by project basis which, when a particular project is not progressing as rapidly as anticipated, has caused shareholders to be concerned about our strategic progress. In this report and in our upcoming Half Year Report it is my intention to set the framework for future reporting and lay out our strategy for growth. These quarterly letters to you will report against each element of the strategy and comment on the overall effect. The Annual Report and Half Year Report will take a more holistic view of the strategy and how we see it evolving.

Our strategy for growth comprises five elements:

- Exploiting Our IP
- Expanding Core Competencies and IP
- Developing our Product Pipeline
- Exploring Non-Core Opportunities
- Acquisition of Synergistic Assets

Each element is a stand-alone activity that may have direct implications for the other elements. I will briefly discuss each element and then report on the related activities that have been undertaken since my last report.

### Exploiting Our IP

Exploiting IP, by our definition, encompasses the work we undertake with targeted companies to:

- license the use of Mix&Go
- enter into supply agreements for the wholesale provision of an “off the shelf” Mix&Go product or a customised product for use within the diagnostic marketplace - both IVD and Life Science segments.
- establish Research and Collaboration agreements for the development of products that a partner company may be developing. Work of this sort is generally undertaken in the belief that revenues will continue into the future once the product is commercially launched by our partner company.



Activities over the past quarter in this area include:

1. **POC 1** - our scientists have continued to seek further improvements to the particles we delivered to our partner in May 2014. Two different products were developed and assessed in our laboratories to be superior to our May offering. Extensive testing of these particles in their laboratories has confirmed our belief and prompted our partner to request a technology transfer. The second phase of our collaboration program with PoC1 revolves around the ability of Mix&Go to improve the performance of their sensor surfaces and, in all likelihood, the entire device. The Scienion instrument has now been installed in our laboratory and our scientists have been trained in its use. PoC1 has now requested that we focus our ongoing attention on this aspect of the device.
2. **IMRA** – in December we announced that we have entered into a paid Research and Collaboration Agreement with IMRA. We have generated initial data on stability and antibody coupling to their particles. Feedback on this data was very positive.
3. Two further paid Research and Collaboration projects were undertaken during the quarter. Both are providing pleasing outcomes and we look forward to progressing these projects.
4. **BBI** - we are now focused on amplification of signal and currently we are awaiting supply of materials from them.
5. **Global Life Science Company** - has been assessing Mix&Go for a variety of applications over several years. Their technical appraisal has now been satisfactorily completed and it was broader than we initially anticipated. They were impressed with the outcomes to the extent that they have indicated a desire to utilize Mix&Go as a “platform technology” for incorporation into a number of their proprietary products. Further, a welcome additional outcome is they want to include Anteo’s AMG Mix&Go products into their highly respected catalogue.
6. We are engaged with several manufacturers and developers of IVD and Life Science assays. One of these companies has completed a production run of 500 prototype Mix&Go activated plates for assessment. Another is co-coupling antibodies in specific ratios onto particles for a multiplex assay that they have under development for an IVD client.
7. Our US based veterinary prospect has been supplied with materials to complete a study for use in an assay they are developing for a particular virus and are also undertaking real-time stability testing.

Overall the tone of these important commercialisation activities is now showing a clear momentum shift by our target customers demonstrating greater belief on their part and a “let’s get on with it” attitude.

### Expanding Core Competencies and IP

It is one thing to develop new intellectual property. It is another to be able use that intellectual property to a commercial standard that satisfies the needs of regulators and obtains the full benefit from it.

As an emerging company it is vital that we expand our operational competencies from those necessary for research and development to those required for commercial purposes



including an ability to meet the rigorous standards required by regulatory authorities. Having an appropriate team to undertake these tasks gives our customers comfort about the quality of our work and increases their willingness to work with us. Indeed today one of our paid collaborations is a direct result of a QA/QC visit from a global technology company.

It is also important that we demonstrate the capability of Mix&Go and that of our team across an appropriate and increasing range of applications. Initially this was restricted to binding target proteins to beads. Today we can say with confidence “The surface you want on the surface you have” and expect to be able to deliver across a broad range of platforms and surface types be they be hydrophilic or hydrophobic. The ability to deliver on this promise is not trivial and provides us with a unique capability with significant commercial value.

During the last quarter, following the lodgement of our Heterofunctional Binding Systems patent in June 2014, we continued to undertake work to exemplify the patent and enhance our skills in the areas covered by the patent. Co-coupling is one of those areas and is a task that is extremely difficult without Mix&Go. Today we are delivering this custom service in collaboration with a partner who has been contracted to solve an otherwise intractable problem for a client.

### **Developing Our Product Pipeline**

This element of our strategy has three purposes. Firstly, as a revenue generating arm that provides interested parties with direct access to our products. Secondly, this access serves to demonstrate that we have the rigour and maturity to manufacture our own products. Finally, through the release of additional products to our commercial range, we are able to demonstrate an increasing array of capabilities and uses for Mix&Go. This has been a significant contributor to the recognition and improved momentum we are experiencing.

In December we launched the AMG Activation Kit for Multiplex Microspheres consistent with our objective of releasing one new product per quarter. This product was developed to assist users of Luminex systems to more easily achieve their objectives. We are pleased with the feedback and support we have received from Luminex Inc in this exercise. A number of Luminex partners are now engaged with us and we have a clinical trial scheduled that is to conclude next quarter. The results of this trial are expected to confirm the utility of the AMG kit for clinical purposes, thus opening the door to Luminex IVD partners.

Our commercialisation team is putting the processes in place to increase inbound sales leads and online product sales. These efforts also serve to support our distribution and business development activities.

We have instigated a program aimed at continually improving our messaging, content, processes and digital infrastructure to increase our product sales. The automation of marketing tools required to increase our inbound sales leads and convert existing and new traffic into product sales will also be implemented over this period.



## Exploring Non-core Opportunities

We define non-core opportunities to be non-diagnostic applications of Mix&Go technology in Healthcare, Clean Tech, Mining or other industries.

Currently we have two projects under way. One is being undertaken internally in the clean technology market and the other with a global medical device company.

The clean technology project has provided some consistent and repeatable data that suggests that Mix&Go provides an ability to address some recognised short comings in both products that are in current use and those that are envisaged to replace them. Lodgement of a patent in this area is planned for this quarter.

## Acquisition of Synergistic Assets

We continue to work with our adviser and have undertaken considerable diligence on a number of potential targets.

**In summary**, each of the elements of our strategy for growth is combining to reaffirm my ongoing enthusiasm for shorter term outcomes

Our cash position at the end of the quarter was approximately \$6.8M.

Finally, as part of our efforts to provide better real-time communication with shareholders our communications strategy includes support for investors via the Anteo Technologies mobile app and social media channels.

This communications strategy is currently being implemented and we look forward to keeping you apprised of our progress.

**Dr Geoff Cumming**  
**CEO**  
**Anteo Diagnostics Limited**

# 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-14

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from customers and government grants	1,498	1,810
1.2 Payments for		
(a) staff costs	(628)	(1,097)
(b) advertising and marketing	(178)	(364)
(c) research and development (excluding staff costs relating to R&D)	(150)	(323)
(e) other working capital	(653)	(938)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	41	90
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
<b>Net operating cash flows</b>	<b>(70)</b>	<b>(822)</b>

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	Current quarter \$A'000	Year to date (6 months) \$A'000
1.6 Net operating cash flows (carried forward)	(70)	(822)
<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	(84)	(316)
(e) other non-current assets	-	-
1.10 <b>Proceeds from disposal of:</b>		
(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>(84)</b>	<b>(316)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(154)</b>	<b>(1,138)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	894	919
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>894</b>	<b>919</b>
<b>Net increase (decrease) in cash held</b>	<b>740</b>	<b>(219)</b>
1.21 Cash at beginning of quarter/year to date	6,112	7,071
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 <b>Cash at end of quarter</b>	<b>6,852</b>	<b>6,852</b>

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	<b>243</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	

**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	6,734	5,994
4.2	Deposits at call	118	118
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>6,852</b>	<b>6,112</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: 30 January 2015

(Director)

Print name: **Richard Martin**