

25 January 2017

## QUARTERLY REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

**Bioxyne Limited** (ASX Code: BXN) (Bioxyne or the Company) is pleased to report on its activities for the quarter ended 31 December 2016.

Revenue from PCC<sup>®</sup> sales and royalties for the quarter were \$663,000 (2015 - \$410,000). While recovering some of the prior quarter shortfall the half year ended 31 December 2016 is \$300,000 short of 2015, with part attributable to timing.

Net operating cash inflow for the quarter was \$32,000 which included \$81,000 relating to research and development and the clinical trial announced on 17 October 2016<sup>1</sup> which is well underway.

During the quarter the Company launched its first two own brand probiotic products, Progastrim<sup>®</sup>, a probiotic product for gut and immune health, and proTract<sup>®</sup> for atopic dermatitis (eczema) in the Australian market. These products are currently sold on-line at [www.progastrim.com](http://www.progastrim.com) and [www.protract.com.au](http://www.protract.com.au). The Company is currently working with major pharmacy groups with a view to ranging these products in pharmacy in the quarter ended 31 March 2017.

The Company is currently working on a number of innovative new products which are based on its proprietary product Lactobacillus fermentum PCC<sup>®</sup>.

Bioxyne is in the process of finalising a contract for the distribution of its products in China through an online marketing platform.

Cash at the end of the Quarter is \$1.2 million.

Mr George Cameron-Dow resigned as a Director on 18 November 2016.

For more information, please contact:

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<sup>1</sup> ASX Announcement 17 October 2016

## About Bioxyne

Bioxyne Limited (ASX:BXN) is an Australian life sciences, health and medical technologies company (incorporated in 2000) with a focus on immune health and immunotherapeutic products.

Bioxyne has a strategic investment in the consumer dietary supplements and functional foods markets through its proprietary probiotic, *Lactobacillus fermentum* PCC®. Bioxyne is a company creating value for consumers and investors by delivering safe and effective solutions.

Bioxyne's focus is currently on the Company's probiotic business and proprietary product *Lactobacillus fermentum* PCC® which is supported by a manufacturing and distribution agreement with Chr. Hansen (Denmark) a global leader in the manufacturing of natural food additives and supplements products for the food, health, pharmaceutical and agriculture industries.

Bioxyne also has a distribution agreement with Nu-Skin Enterprises (USA) a successful worldwide multilevel marketing company who pride themselves in offering only quality solutions to their customers.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Bioxyne Limited

**ABN**

97 084 464 193

**Quarter ended ("current quarter")**

31 December 2016

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	664	1,054
1.2 Payments for		
(a) research and development	(81)	(295)
(b) product manufacturing and operating costs	(352)	(550)
(c) advertising and marketing		
(d) leased assets		
(e) staff costs		
(f) administration and corporate costs	(199)	(383)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>32</b>	<b>(174)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		(4)
(b) businesses (see item 10)		
(c) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	(d) intellectual property		
	(e) other non-current assets		
	Proceeds from disposal of:		
	(a) property, plant and equipment		
	(b) businesses (see item 10)		
	(c) investments		
2.2	(d) intellectual property		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	<b>Net cash from / (used in) investing activities</b>		<b>(4)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	<b>Net cash from / (used in) financing activities</b>		

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,111	1,354
4.2	Net cash from / (used in) operating activities (item 1.9 above)	32	(174)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		(4)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	71	38
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>1,214</b>	<b>1,214</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,214	1,111
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,214</b>	<b>1,111</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

67

Directors salaries and fees.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	220
9.2 Product manufacturing and operating costs	310
9.3 Advertising and marketing	50
9.4 Leased assets	
9.5 Staff costs	
9.6 Administration and corporate costs	100
9.7 Other (provide details if material)	
<b>9.8 Total estimated cash outflows</b>	<b>680</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .... Date: ....25 January 2017.....  
(Company secretary)

Print name: .....Guy Robertson.....

### 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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.