

31st October 2013

September 2013 Quarterly update and Appendix 4C

Highlights

- Focus on cash flow management
- Continued strong sales of Probiotics products
- Lodgement of Research and Development grant application
- Seeking Expression of Interest on sale of HI 164

In the quarter ending 30th September 2013 the focus of management was on cash flow management through generating sales and minimising operating costs.

The quarter saw the continuation of strong sales from the probiotics business (PCC®), with revenue above expectation. This impact positively on the company's working capital.

The Research and Development tax concession claim for wholly owned subsidiary Hunter Immunology Pty Ltd was lodged with the Australian Taxation Office. The claim of **\$370,785** was **received on 3 October 2013**.

Your Board continues to evaluate projects that may be appropriate for the company. The company has also sought expressions of interest for the acquisition of the company's Hi 164 project.

For more information, please contact:

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

Bioxyne Limited

ABN

97 084 464 193

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from customers	363	363
1.2 Payments for		
(a) staff costs	-	-
(b) advertising and marketing	-	-
(c) research and development	(16)	(16)
(d) leased assets	-	-
(e) cost of goods sold	(170)	(170)
(f) other working capital	(334)	(334)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (R&D Tax Concession Proceeds)		
Net operating cash flows	(157)	(157)

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	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(157)	(157)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(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 Cash held by subsidiary on acquisition		
Net investing cash flows	-	-
1.14 Total operating and investing cash flows	(157)	(157)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from issue of convertible notes		
1.18 Proceeds of borrowings	50	50
1.19 Dividends paid		
1.20 Cost of issuing equity		
Net financing cash flows	50	50
Net increase (decrease) in cash held	(107)	(107)
1.21 Cash at beginning of quarter/year to date	211	211
1.22 Exchange rate adjustments to item 1.20	(7)	(7)
1.23 Cash at end of quarter	97	97

+ See chapter 19 for defined terms.

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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	22
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions Amounts included in item 1.24 include consultancy fees paid to directors or their nominees. All transactions with related parties have occurred on an arm's length basis. Included in item 1.2(e) were costs of maintaining existing patents of \$137,394.	

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	N/A
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	N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-
3.2	Credit standby arrangements	-

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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	97	211
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		97	211

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	-
5.2 Place of incorporation or registration	-	-
5.3 Consideration for acquisition or disposal	-	-
5.4 Total net assets	-	-
5.5 Nature of business	-	-

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (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:



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(Director/Company secretary)

Date: 31 October 2013

Print name: Jarrod T White

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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 or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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.

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