



ABN: 97 084 464 193

Suite 1 A, Level 2
802 Pacific Highway
Gordon NSW 2072

P: +61 2 9844 5422
F: +61 2 9844 5445



**Australian Securities Exchange Limited
Companies Announcements Office
SYDNEY**

31 October 2012

Appendix 4C – Quarterly Cash Report

Dear Sir,

Attached is the Company's (ASX: BXN) appendix 4C for the period ended 30 September 2012.

The Company wishes to advise that the cash balances at the end of the quarter were \$1,236,000 with increased contributions from the probiotics business generating \$186,000 in revenue for the quarter.

Other working capital costs in the quarter were primarily of a one-off nature and are not expected to repeat in future quarters, these included payments made to consultants in closing out of the Clinical Study HI H005, as well as associated payments finalising the ASX listing event from April 2012. These costs contributed approximately \$400,000 to the cost line.

The costs associated with the ongoing R&D and potential study in partnership with Vaxine Limited should be eligible for a tax rebate in 2013, under the existing Federal Government's R&D Tax concession.

The Company plans to announce further cost management measures prior to the AGM to be held in Sydney on November 29th 2012.

David Radford
Chief Executive Officer
Tel: +61 (0) 407-218-922

Tim Allerton or Andrew Geddes
CityPR
(02) 9267 4511



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About Bioxyne

Bioxyne Limited (ASX:BXN) is an Australian immunotherapeutics business created in April 2012 through the reverse takeover of Probiomics (ASX: PCC) by privately held Hunter Immunology. The Company's lead therapy, HI-164OV is based on the Company's proprietary technology that uses the application of mucosal immunology to treat common human diseases. HI-164OV works by controlling bacterial infections of airways damaged by toxins. The global incidence of COPD, which includes common

diseases like bronchitis and emphysema, is growing rapidly and is a substantial burden on health budgets. Bioxyne also makes and sells consumer food supplements, based on a proprietary probiotic compound, generating a source of revenues. For further information please visit www.bioxyne.com

COPD

Chronic Obstructive Pulmonary Disease (COPD) is a disease largely caused by smoking but with a rising number of new cases caused by pollution in developing countries like China and India. The global demand for COPD treatments is growing rapidly with an analysis by the Australian Lung Foundation in 2008 indicating the wide economic cost of to the Australian economy in 2010 was estimated to be \$9 billion in direct and indirect costs, with \$1 billion incurred in direct health system expenditure. There are currently no effective treatments for COPD and 25 per cent of COPD patients admitted to hospital die within one year. Reducing hospital admissions is crucial and preventing exacerbations is the main choice of therapy. More than 15 per cent of new patients have never smoked and

Industrial pollution is viewed as a major risk factor in the onset of COPD. It is estimated COPD will be third leading cause of mortality in the next decade, behind heart failure and cancer.

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 2012

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	186	186
1.2 Payments for		
(a) staff costs	(119)	(119)
(b) advertising and marketing	(9)	(9)
(c) research and development	(229)	(229)
(d) leased assets	-	-
(e) other working capital	(812)	(812)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	(27)	(27)
1.6 Income taxes paid		
1.7 Other (R&D Tax Concession Proceeds)	1,529	1,529
Net operating cash flows	521	521

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	521	521
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		
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 Repayment of borrowings		
1.19 Dividends paid		
1.20 Cost of issuing equity	(65)	(65)
Net financing cash flows	(65)	(65)
Net increase (decrease) in cash held		
1.21 Cash at beginning of quarter/year to date	780	780
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	1,236	1,236

+ See chapter 19 for defined terms.

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	187
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.	

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	-	-

+ See chapter 19 for defined terms.

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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	1,236	780
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		1,236	780

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	-	-

+ See chapter 19 for defined terms.

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:
(Director/Company secretary)

Date: 31 October 2012.

Print name: Ashok Jairath

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Quarterly report for entities
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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.

+ See chapter 19 for defined terms.