

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000.

Name of entity
BioLayer Corporation Limited

ACN or ARBN	Quarter ended
75-070-028-625	30-Jun-07

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers and government grants	282	1,821
1.2	Payments for		
	(a) staff costs	(398)	(1,659)
	(b) advertising and marketing	(57)	(139)
	(c) research and development (excluding staff costs relating to R&D)	(111)	(538)
	(d) leased assets	-	-
	(e) other working capital	(112)	(521)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	23	67
1.5	Interest and other costs of finance paid	(3)	(8)
1.6	Income taxes paid	-	-
Net operating cash flows		(376)	(977)

NOTES:

		Current quarter \$A'000	Year to date (12 months) \$A'000
1.8	Net operating cash flows (carried forward)	(376)	(977)
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) Businesses	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(163)	(210)
	(e) other non-current assets	-	-
	Proceeds from disposal of:		
1.10	(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	-	-
	Net investing cash flows	(163)	(210)
1.14	Total operating and investing cash flows	(539)	(1,187)
	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 borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other:		
	Proceeds from issue of converting notes	(8)	1,244
	Interest paid on converting notes	(17)	(65)
	Capital raising costs	-	-
	Net financing cash flows	(25)	1,179
	Net increase (decrease) in cash held	(564)	(8)
1.21	Cash at beginning of quarter/year to date	1,845	1,289
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	1,281	1,281

NOTES:

1.20

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

1.24	Aggregate amount of payments to the parties included in item 1.2	Current quarter \$A'000
		NIL
		NIL
1.25	Aggregate amount of loans to the parties included in item 1.11	

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

NIL

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

NIL

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

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

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	Previous quarter
		\$A'000	\$A'000
4.1	Cash on hand and at bank	260	390
4.2	Deposits at call	1,021	1,455
4.3	Bank overdraft		-
4.4	Other - Funds held in trust re. Open Prospectus Offer		-
Total: cash at end of quarter (item 1.23)		1,281	1,845

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 July 2007

(Company Secretary)

Print name: **Michael P Moloney**

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
- 2 The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
- 3 **Accounting Standards.** ASX will accept, for example, the use of International Accounting 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.