10th August 2011

Company's Announcement Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

ASX ANNOUNCEMENT / MEDIA RELEASE

CEO REPORT – QUARTER ENDED 30 JUNE 2011

Dear Shareholders,

Anteo Diagnostics Limited is pleased to report on its activities over the past quarter. Significant progress has been achieved in strengthening our Board composition and developing our markets in In Vitro Diagnostics, research providers and other healthcare markets.

CORPORATE

- Cash balances remain sound; $6.86 million as at year end enables operations at current cash burn rates until the end of 2013.
- The Board restructuring program is progressing well with the appointments of independents Mark Bouris as Non-executive Chairman and Sandra (Sam) Andersen as Non-executive Director.

IN VITRO DIAGNOSTIC MARKET

Anteo has moved to the next stage of the product sales process for Mix&Go™ with a number major global IVD companies. Critical to the sales process is product acceptability for the immunoassays the companies are targeting for the use of Mix&Go™. Key components of the assessment process are sensitivity, scalability, batch consistency and safety.

Sensitivity

- Anteo's scientists have optimised an immunoassay test using Mix&Go™ for one of our potential IVD customers improving their sensitivity from 3pg/ml to 0.4pg/ml, far exceeding their target outcome of 1pg/ml.
- Levels of sensitivity achieved with Mix&Go™ is now approaching those found in "molecular" testing, and never achieved in "immunological" testing: a considerably more cost efficient method for testing, allowing for automation which increases speed of diagnosis and requires less skilled personnel.

Anteo Diagnostics Limited ABN 75 070 028 625
Unit 4, 26 Brandl Street, Eight Mile Plains Qld 4113
Phone 07 3219 0085 Fax 07 3219 0553 Email contact@anteodx.com Web www.anteodx.com

Bead Lot Consistency

- Anteo's scientists have proved across a large variety of bead lots, some of which were previously unusable, that Mix&Go™ is successful in improving consistency between bead lots eliminating costly lot-to-lot variability in the products of a target bead manufacturer. Unusable or significantly variable performance of beads from lot-to-lot adds to cost, time and quality control testing requirements and recalibration during test manufacturing.
- In addition the Mix&Go™ demonstrated sensitivity, for an analyte test of commercial significance to this group, which exceeds any currently available commercial test for this analyte.
- The elimination of bead lot variability represents significant cost savings and along with the improved assay performance is resulting in increased momentum in our dealings with this client.

Scalability

- We have now demonstrated scalability for the use of Mix&Go™ from the smallest research batch to the largest IVD production batch.
- Anteo's standard protocol for the use of Mix&Go™ required activation at 1mg/ml, and one of our target clients was seeking 10mg/ml. Our scientists were able to achieve activation at 50mg/ml, and with further work, we anticipate this concentration can be increased to 100mg/ml. This would allow Mix&Go™ to be incorporated into their largest selling tests.

Safety

- As target customers move through their assessment process, they reach the important milestone of safety considerations, which is core to the final decision to adopt new products within their manufacturing environment. Two target customers have now reached this milestone and Anteo has demonstrated the safety of the product to their satisfaction.

RESEARCH AND OTHER HEALTHCARE MARKETS

- Dr Tina Baumgartner, our recently appointed US consultant focusing on smaller IVD companies, Life Science companies active in clinical research, Point of Care companies and companies in the Separations Market, has expanded our active target client network with positive outcomes.
- The number of collaborations in this sector is increasing with research being undertaken on platforms apart from beads to assess viable market opportunities with Life Science companies using a variety of different platforms, such as microarrays.
- Feedback from collaborators has been complimentary of our scientists in relation to the quality of their work and the speed with which they are able to generate data.

OTHER ACTIVITIES

- I recently attended the American Association for Clinical Chemistry (AACC) meeting in Atlanta, Georgia. The AACC meeting is frequented by the bulk of the parties with whom we are dealing and feedback on the experiences with Mix&Go™ from our potential customers remains positive. A number of additional parties have expressed interest in Mix&Go™ adding to our pipeline.

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During this quarter, through our extensive dealings with the major global IVD companies, Anteo has been further encouraged in relation to its prospects in this sector. It takes time for major global IVD companies to change manufacturing processes as they are risk averse, dedicating significant amounts of time assessing new technology and undertaking due diligence prior to accepting any new product such as Mix&Go™. Notwithstanding, several groups are well progressed with their assessments and have indicated that if they decide to use Mix&Go™, it would be with an intent to migrate its use across their entire range of assays rather than for a single assay. This increases the importance of the decision for these companies and, as a result, their caution. However, when success comes, it will be commensurately more rewarding for Anteo's shareholders.

We are very pleased with the progress we are making and have sound reasons for continued optimism in both the level of customer interest and the strength of the Mix&Go™ technology. We continue the work to transform enquiries and testing into new sales and this remains our top priority.

-ENDS-

Dr Geoff Cumming
Chief Executive Officer

For more information contact:

Dr Geoff Cumming, CEO, +61 2 8823 3110

Investor Relations and Media enquiries:

Sam Sloane, Six Degrees Investor Relations, +61 2 9230 0661