



31 July, 2014
Company Announcements Office
Australian Stock Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

Anteo Diagnostics Limited (ASX:ADO) attaches its Appendix 4C for the quarter ending 30 JUNE 2014.

CEO ACTIVITIES REPORT – QUARTER ENDED 30 JUNE 2014

Dear Fellow Shareholders,

This quarter has seen continued pleasing developments in all major projects with several additional areas of interest moving towards positions of prominence.

Our cash position at the end of the quarter was approximately \$7 million.

This quarter had the following headline activities and achievements:

- Work on Phase 3 of the BBI project was commenced following a delay caused by the proposed IPO of BBI.
- Our PoC 1 project was successfully completed. A decision has been made to expand Mix&Go testing to include sensor surface allowing a more holistic approach to be made.
- The team expansion funded by our placement is delivering short-term benefits.
- New IP proves Mix&Go capability to address almost any surface characteristic delivering the surface you want on the surface you have.
- Worked with Ferghana Partners to assess and plan opportunities for the short and medium term
- Mix&Go is being evaluated for an increasing variety of purposes ranging from biosensors and veterinary uses to blood screening.
- Anteo AMG products are being well received by users.

BBI PROJECT

We entered into a paid 5-phase study with BBI that was targeted for completion in the second half of this year. The first two phases were largely undertaken at Anteo. The key objectives of the first two phases were completed on time and with results that were better than expected.

BBI underwent some internal restructuring and reassessment of priorities to ready themselves for a planned IPO by their holding company, Alere, which delayed the commencement of Phase 3 for several months.

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The project recommenced in June and since then our team has worked in Cardiff with BBI scientists to repeat the work undertaken in Brisbane and to extend it to a broader range of antibodies thereby demonstrating the general nature of the Mix&Go approach.

Management at BBI have indicated their interest in formulating targeted plans around additional strategic objectives held by the company. It is expected that these plans and subsequent projects will unfold in parallel with the existing project.

POINT OF CARE PROJECT 1

Following completion of work at Anteo our technical team spent several weeks working in the laboratories of our partner to verify, in collaboration with our partner's scientists, the performance we were able to achieve in clinical samples.

During this visit there was one extra study considered for future planning:

- Anteo supplied detection particles were able to rival, and in some cases surpass, some of the performance benefits of the conventionally prepared particles. However, and fully acknowledged by POC 1, the maximum benefits of Mix&Go could not be fully realised when all the other variables in the prototype device had been continuously tuned and optimised to the conventionally prepared detection particles.
- The above was conclusively proven when given the opportunity to complement Anteo supplied detection particles with Mix&Go coated sensor surfaces.

Following these results we are now working closely with PoC 1 on the experimental design to complete the remaining stages of work. We will, for the first time, be able to undertake a systematic study viewing the system holistically by addressing both the sensor surface and the detection particle. Our objective is to deliver a best in class device for our customer through a program that will continue through 2014 and into 2015. We will continue to be paid for the work undertaken.

IMPROVED IP AND SHORT TERM BENEFITS

The benefit of having a well-rounded technical capability with greater depth is already bearing fruit and helping us deliver world class solutions addressing issues presented to us by our customers.

To illustrate this I would like to draw your attention to the patent application filed in June 2014, Heterofunctional Binding Systems. This application resulted from inventions made by our Planar Surface technical group using a variety of new Mix&Go formulations. Their work enables us to more comprehensively and uniformly coat disparate surfaces with Mix&Go and is already being used for commercial benefit.

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- We have improved our capability on the traditional immunoassay platform of Microtiter plates to match and exceed the best industry benchmarks using far less antibodies. Two European companies are currently evaluating this use of Mix&Go.
- Using similar concepts, other new plastics have been coated to show enhanced performance in immunoassays. These plastics are being seriously assessed as platforms for biosensors. Two large multi-national companies have expressed interest in investigating these new Mix&Go formulations in their biosensor programs.
- Our own AMG Microtiter Plate kits, planned for release later this year, have significant manufacturing benefits for Anteo as well as the end user. These kits will be launched with a range of data sets, supporting an extensive range of performance characteristics.

The improved capability is fundamental to our future and proves that Mix&Go can now be applied successfully to create a desired surface characteristic on almost any background platform, no matter how disparate its nature. To quote Rachel de las Heras, our Head of Commercial Development, "We offer a technology and a product that is remarkably different to existing technologies and offers considerable advantages. It creates the surface you want on the surface you have. It enables biological material to adhere to synthetic surfaces quickly, easily and without damage. It is so robust and so reliable that it can dramatically shorten the usual product design and development process."

This underwrites our ability to broaden the use of Mix&Go both within and outside of the healthcare industry.

ADVISOR ACTIVITY

Since we appointed New York based group, Ferghana Partners, we have been able to refine what we consider to be the desirable elements of any opportunities that could benefit Anteo and assess the merits of a number of opportunities presented.

ANTEO MANUFACTURED PRODUCTS

In the last quarter we released our first products including, AMG™ Streptavidin Magnetic Beads, Streptavidin Plates and a range of application specific Mix&Go reagents, for direct sale. These ready-to-use research tools have been well received and used for a broadening range of applications in which Anteo has limited capacity to exemplify in-house. These include two examples in the area of bioseparation; i) coupling a GFP capture protein onto magnetic particles for the purification of GFP tagged proteins and ii) coupling specific antibodies to magnetic particles for exosome purification.

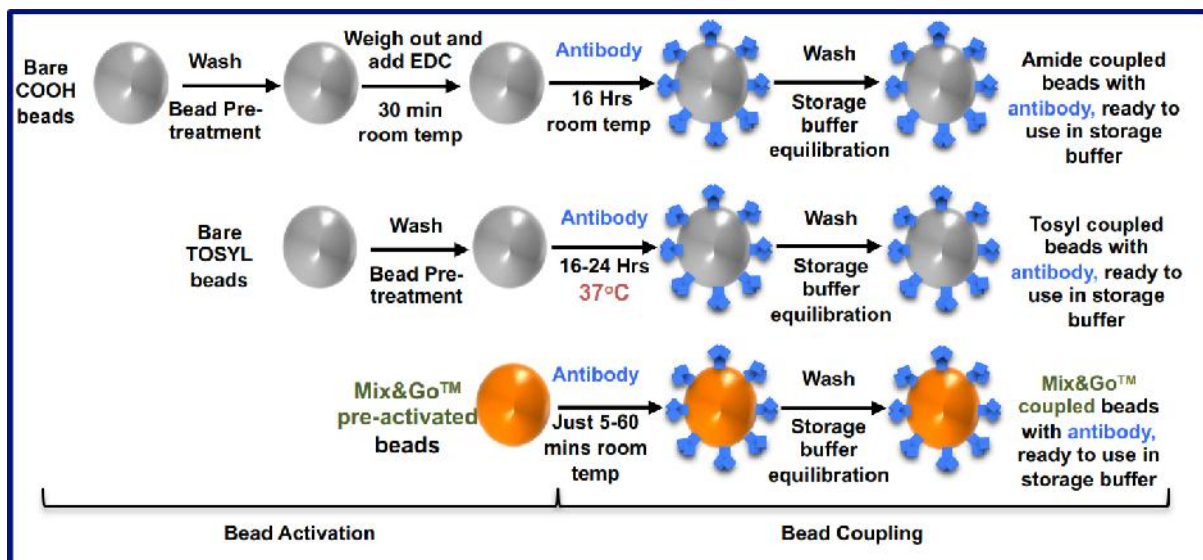
We have just launched additional products developed during the last quarter and we have a product pipeline which should see us developing and launching a new product to market on

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a quarterly basis. These kits have everything needed to enable easy and fast activation of particles and binding of proteins to these particles in a one-step reaction.

These products expand the opportunity for industry and academic researchers to experience the benefits of our Mix&Go technology in their own hands and promote new commercial opportunities.

To quote one satisfied customer working with Mix&Go at a prominent Government Research Institute in Germany, *“With Mix&Go Biosensor, I have solved a major problem of coating chip surfaces with proteins (Antibodies, Antigens). We have very good results using Mix&Go Biosensor rather than covalent binding chemistry. Some Antibodies were not active after immobilization of covalent chemistry. In contrast, Mix&Go activated surface preserve the activity of antibodies... This could be a breakthrough in biosensor methods. Mix&Go allows one-step simple immobilization of protein on chips and for antibodies even in a right orientation.”*



The use of our ready to use kits is also assisting in our direct dealings with potential partners to undertake evaluations simply and quickly. As a consequence, we have a number of promising client interactions (including the companies mentioned last quarter) where assessments have been undertaken quickly and efficiently allowing them to move to the next phase of evaluation such as real time stability trials; or the provision of client instruments for us to develop a focused solution.

Dr Geoff Cumming
CEO Anteo Diagnostics Limited

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Anteo Diagnostics Limited

ACN or ARBN

75-070-028-625

Quarter ended
("current quarter")

30-Jun-14

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	220	2,717
1.2	Payments for		
	(a) staff costs	(623)	(2,124)
	(b) advertising and marketing	(295)	(803)
	(c) research and development (excluding staff costs relating to R&D)	(149)	(543)
	(d) leased assets	-	-
	(e) other working capital	(322)	(1,392)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	58	169
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
	Net operating cash flows	(1,111)	(1,976)

NOTES:

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Cash flows related to investing activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.8	Net operating cash flows (carried forward)	(1,111)	(1,976)
1.9	Payment for acquisition of:		
	(a) Businesses	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(44)	(206)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(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	(44)	(206)
1.14	Total operating and investing cash flows	(1,155)	(2,182)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	241	6,979
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:		
	Conversion of converting notes	-	-
	Interest paid on converting notes	-	-
	Capital raising costs	-	(347)
	Net financing cash flows	241	6,632
	Net increase (decrease) in cash held	(914)	4,450
1.21	Cash at beginning of quarter/year to date	7,985	2,621
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	7,071	7,071

NOTES:

1.20

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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	229
1.25	Aggregate amount of loans to the parties included in item 1.11	NIL
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).

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	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 \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	6,953	7,867
4.2	Deposits at call	118	118
4.3	Bank overdraft		-
4.4	Other - Funds held in trust re. Open Prospectus Offer		-
Total: cash at end of quarter (item 1.23)		7,071	7,985

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: 31 July 2014

(Director)

Print name: **Richard Martin**