

Quarterly cash flow report – 31 March 2015



Genetic Signatures (ASX: GSS) is pleased to report on its activities for the period ended 31 March 2015.

Highlights:

- Continued growth in sales of *EasyScreen™* Enteric Detection Kits, with tests sold up 28% year to date on pcp
- Expanded *EasyScreen™* product range with first sales of *EasyScreen™* Respiratory Virus Detection Kit
- Expanded *EasyScreen™* domestic customer base
- Commenced *EasyScreen™* Enteric Detection Kit sales into Italy
- Completed oversubscribed Initial Public Offering (IPO) to raise \$7.5 million and list on the Australian Securities Exchange (ASX)

Activities subsequent to end of quarter:

- US subsidiary incorporated and expanded team with the appointment of Rich Smith, PhD, as Director, US Technical Operations
- Completed first domestic customer site installation of *EasyScreen™* Respiratory Virus Detection Kit
- Finalising first domestic customer site installation of *EasyScreen™* Enteric Detection Kits to non-NSW based customer

Upcoming activities:

- Expansion of *EasyScreen™* product range with anticipated commercial release of MRSA assay (otherwise known as 'Golden Staph')
- Anticipated revenue increases from both expansion of *EasyScreen™* product range and the addition of new customers

Cumulative Tests Sold* (year to end third quarter):

2013/14	2014/15	Growth
31,800	40,800	28%

* Test sales equals the number of different assay components sold e.g. Enteric assay is made up of three test components – bacterial, viral & protozoan

Commentary

Genetic Signatures recorded positive growth in the number of *EasyScreen™* tests sold during the nine months ended 31 March 2015, up 28% (on cumulative tests sold) compared to the previous corresponding period. Tests sold during the period comprised the company's *EasyScreen™* Enteric Detection Kits.

The *EasyScreen*™ Enteric Detection Kits were the first product line launched as part of the *EasyScreen*™ product range in 2012. This panel of assays supports hospitals and laboratories to screen for a wide range of infectious agents including viral, bacterial and protozoan agents. The Company also has other *EasyScreen*™ products in the final stages of commercial beta testing and launch, and includes the Respiratory Virus and MRSA (otherwise known as *Staphylococcus aureus* or 'Golden Staph') detection kits.

St Vincent's Pathology (SydPath) in Sydney became the company's first customer for its *EasyScreen*™ Respiratory Virus Detection Kit during the quarter, with the site installation and first sale of kits recorded (subsequent to the end of the quarter). SydPath is a fully accredited registered pathology laboratory service located within the St Vincent's Hospital Campus, and is an existing customer of the Company's *EasyScreen*™ Enteric Detection Kits. During initial beta-testing, the *EasyScreen*™ Respiratory Virus Detection Kit was found to detect significantly more viral respiratory infections compared to SydPath's current molecular methodology. SydPath will participate in the final testing of the respiratory kit before its registration as a diagnostic product.

Genetic Signatures also expanded its domestic customer base during the quarter, securing its first non-NSW based customer for the *EasyScreen*™ Enteric Detection kits. The details of the agreement, while unable to be disclosed, includes supply of *EasyScreen*™ Enteric Detection kits for daily testing of patient specimens.

On 31 March 2015, Genetic Signatures listed on the Australian Securities Exchange following an oversubscribed IPO. The Company issued 18.75 million shares at 40 cents to raise \$7.5 million, giving it a market capitalisation of \$29.1 million. Proceeds of the IPO will be applied to accelerating the Company's product development pipeline and to increasing new business development via the continued commercial rollout of its products in Australia and the EU as well as entry into the US market.

For further information, see our website (www.geneticsignatures.com) or contact us as below:

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About Genetic Signatures: Genetic Signatures is a specialist molecular diagnostics (MDx) company focused on the development and commercialisation of its proprietary platform technology, 3Base™. Founded in 2001 by the late Dr Geoffrey Grigg, the former Chief of Molecular Biology at CSIRO, Genetic Signatures has released a suite of real-time PCR based products for the routine detection of infectious diseases under the EasyScreen™ brand. Molecular diagnostics (MDx) is a modern technique increasingly used by hospitals and pathology laboratories to detect specific sequences of the genome, the DNA or RNA that define an organism.

Genetic Signatures' proprietary MDx 3Base™ platform technology provides high-volume hospital and pathology laboratories the ability to screen for a wide array of infectious pathogens, with a high degree of specificity, in a rapid throughput (time-to-result) environment.

Genetic Signatures' current target markets are major hospital and pathology laboratories undertaking infectious disease screening. As the spread of infectious diseases around the world continues to grow, the Company plans to launch additional products for the detection of pathogens associated with MRSA, sexual health infections, tuberculosis and meningitis.

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

GENETIC SIGNATURES LIMITED

ABN

30 095 913 205

Quarter ended ("current quarter")

March 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from customers	196	516
1.2	Payments for (a) staff costs	(428)	(1,309)
	(b) advertising and marketing	(25)	(42)
	(c) research and development	(264)	(666)
	(d) leased assets	-	-
	(e) other working capital	(47)	(118)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	23
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Cost of Goods	(52)	(218)
	Research & Development Tax Concession	-	607
	Net operating cash flows	(616)	(1,207)

+ 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 (..... months) \$A'000
1.8 Net operating cash flows (carried forward)	(616)	(1,207)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	(16)	(97)
(d) physical non-current assets	(19)	(103)
(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 Other (provide details if material)	-	-
	(35)	(200)
Net investing cash flows		
1.14 Total operating and investing cash flows	(651)	(1,407)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	7,500	7,500
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 (provide details if material)	-	-
Listing Expenses	(132)	(470)
Net financing cash flows	7,368	7,030
Net increase (decrease) in cash held	6,717	5,623
1.21 Cash at beginning of quarter/year to date	759	1,853
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	7,476	7,476

+ 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	-
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

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- 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

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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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Appendix 4C
Quarterly report for entities
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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	7,476	759
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		7,476	759

Acquisitions and disposals of business entities

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

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 ~~/does not~~* (delete one) give a true and fair view of the matters disclosed.

Sign here:

(Director/Company secretary)

Date: 27/4/15.....

+ See chapter 19 for defined terms.

Print name: ROBERT BIRRELL

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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