

QUARTERLY BUSINESS UPDATE

- **Progress on Assay Development Program:** Assay Development to transfer the BARD1 technology to the Luminex platform is on-track with phase 1 and 2 completed and pilot RUO BARD1 kits delivered for evaluation
- **New patents granted:** 3 new patents granted and/or validated in the USA, Europe and Hong Kong covering the BARD1 technology and pipeline products
- **Strengthened Board:** Appointed 2 new healthcare industry experienced directors Philip Powell and Max Johnston to guide the commercialisation and growth strategies
- **Planned recruitment:** Commenced recruitment of additional staff for Geneva facility to accelerate research projects and implement technology transfer
- **Successful capital raising:** Completed \$7.5m funding package including \$5m private Placement in June 19 and \$2.5m Entitlement Offer in July 19 intended to fund the Company's growth strategy
- **New shareholders:** Gained 3 new substantial shareholders to the share register
- **Cash position:** Cash balance of \$7.55m as at 30/06/19
- **Research & Development (R&D) Tax Incentive refund:** R&D tax incentive refund of \$0.52m

Perth, Australia, 31 July 2019: BARD1 Life Sciences Limited (ASX:BD1) (**BARD1** or the **Company**), a medical technology company developing non-invasive cancer diagnostics, today released its Appendix 4C and quarterly business update for the quarter ended 30 June 2019.

Research and Development (R&D) update

The Company's R&D activities are currently focused on completing our Assay Development project with Thermo Fisher Scientific to transfer the BARD1 autoantibody tests to the Luminex platform and to build a Research Use Only (RUO) kit for use in our ongoing R&D programs.

BARD1's existing product development strategy seeks to commercialise its proprietary biomarker platform with a focus on advancing its BARD1 autoantibody tests for early detection of ovarian, breast and lung cancers.

Assay Development Program

During the quarter, BARD1 announced that development of its research use only (RUO) BARD1 kit was on-track. The Phase 2 assay development phase to optimize the multiplex BARD1 autoantibody assay on the Luminex platform was completed in June 2019. The Phase 3 assay validation phase to analytically validate the multiplex BARD1 assay is near completion with delivery of three working pilot RUO BARD1 kits to BARD1 Geneva for evaluation in June 2019 and completion expected by Q4 CY2019 (see ASX announcement 01/07/2019).



Figure 1: Pilot RUO BARD1 kits delivered to BARD1 Geneva

The Company believes that successful completion of the assay development program to transfer the BARD1 technology to the Luminex platform is an important milestone, since it should de-risk the technology and potentially enable faster development of the BARD1 autoantibody tests including planned verification testing and validation studies for target cancers expected to commence Q4 CY2019.

Ovarian Cancer Dx Program

Upon successful completion of the assay development program, BARD1 plans to commence verification testing in Q4 CY2019 to further evaluate and optimise the performance of the BARD1-Ovarian cancer test on the new Luminex platform before undertaking additional validation studies for early detection of ovarian cancer in high risk asymptomatic women.

Breast Cancer Dx Program

Upon successful of verification studies in ovarian cancer, BARD1 plans to undertake additional verification testing and validation studies to evaluate, optimise and then validate the performance of the BARD1-Breast cancer test on the Luminex platform for early detection of breast cancer in average risk asymptomatic women.

Lung Cancer Dx Program

Additional research studies are also being planned for the BARD1-Lung cancer test.

Intellectual Property (IP) Portfolio update

US Patent No 10,273,475 titled "Regulation of BARD1 expression by non-coding RNA" was issued by the United States Patent and Trademark Office on 30 April 2019, protecting siRNA that target and reduce the expression of the novel long non-coding BARD1 RNA molecule BARD1 9'L in cancer (see ASX announcement 01/05/2019).

European Patent No 2606358 titled "BARD1 isoforms in lung and colorectal cancer and use thereof" was granted by the European Patent Office on 26 December 2018 and confirmed validated on 3 June 2019 in France, Germany, Italy, Spain, Switzerland and United Kingdom, providing enforceable IP protection in these countries. The granted EP260663 claims are directed towards lung cancer (see ASX announcement 03/06/2019).

Hong Kong Patent No 17101268.4 titled "BARD1 isoforms in lung and colorectal cancer, detection method and use thereof" was issued by the Patents Registry, Intellectual Property Department post quarter end on 19 July 2019. The granted HK 17101268.4 claims are directed towards specific BARD1 isoforms, various methods and kits for use in the detection of the specific BARD1 isoforms, and methods for treatment or prevention of lung and colorectal cancer.

Financial update

The net cash used in operating activities for the quarter was \$48k, down from the previous quarter (3Q FY2019: \$697k). Receipts from operating activities included a Research and Development (R&D) Tax Incentive refund of \$520k for the 2018 financial year and interest received of \$3k. Payments for the quarter included Research and Development (R&D) expenditure of \$208k, patent fees of \$33k, staff costs of \$192k and administration and corporate costs of \$138k.

Net cash from financing activities for the quarter was \$4.59m, comprising proceeds from issues of shares of \$4.97m in a placement and transaction costs of \$382k.

The Company had a closing cash balance at end of quarter of \$7.55m on 30/06/19.

Corporate update

Strengthened Board and Management

On 17 June 2019, BARD1 strengthened its Board with the appointment of two highly credentialed healthcare industry experienced directors, Philip Powell and Max Johnston, to help guide the Company's commercialisation and growth strategies as it moves to build a leading Australian cancer diagnostics company (see ASX announcement 17/06/19). As part of the Board renewal process, Brett Montgomery resigned from the Board effective 17/06/19.

BARD1 also announced plans to expand its management team and has commenced recruitment of additional staff for the Geneva facility to underpin and accelerate our research projects. Additional R&D and operational staff and facility search activities are expected to commence from September 2019 to implement our planned development and technology transfer to the east coast of Australia in 2020.

Capital Raising

During the quarter BARD1 announced a combined package of fund-raising measures which together raised a total of \$7.5 million, with completion occurring post quarter end. The first measure was a strategic Placement of 248,500,000 fully paid ordinary shares in the Company at an issue price of \$0.02 to raise approximately \$5 million (see ASX announcement 18/06/19). This initiative welcomed 3 new substantial shareholders to the Company's share register including The Merchant Opportunities Fund, David Williams and Jeff Emmanuel.

The Company further announced on 12/07/19 that it had successfully completed its non-renounceable Entitlement Offer to raise an additional \$2.5 million before costs. A total of 124,289,854 New Shares were issued comprising:

- 65,927,194 New Shares issued to existing eligible shareholders who participated in the Entitlement Offer;
- 10,000,000 New Shares issued pursuant to Underwriting Agreements entered with companies controlled by Non-Executive Directors Max Johnston and Philip Powell; and
- 48,362,660 Shortfall Shares were issued to sophisticated and professional investors introduced by Merchant Corporate Advisory Pty Ltd who acted as the Company's Lead Manager for the Placement and Entitlement Offers.

The capital raised is intended to be used to fund the development of the existing pipeline, new R&D and commercial initiatives and for working capital purposes.

Growth Strategy

The Company is now well positioned with the Board expertise, financial capacity and strategic shareholder support to build a leading Australian cancer diagnostics company. The Company plans to relocate to the east coast, establish Australian laboratory facilities and expand its management team to execute on its growth strategy to accelerate commercialisation of its existing BARD1 diagnostics pipeline, expand its cancer diagnostics portfolio through acquisition of complementary diagnostic assets to deliver lifesaving diagnostic solutions.

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ABOUT BARD1 LIFE SCIENCES LTD

BARD1 Life Sciences Ltd (ASX:BD1) is an Australian medical technology company focused on developing and commercialising non-invasive diagnostic tests for earlier detection of cancer. BARD1 owns a proprietary tumour marker platform with potential diagnostic and therapeutic applications across multiple cancers. The pipeline includes BARD1 autoantibody tests in development for early detection of breast, ovarian and lung cancers. BARD1's vision is to detect cancer earlier and save lives. For more information on BARD1, see www.bard1.com.

FORWARD LOOKING STATEMENTS

This announcement contains “forward-looking statements” and “forward-looking information”, including statements and forecasts relating to the Company. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “is expecting”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management’s expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

BARD1 LIFE SCIENCES LIMITED

ABN

58 009 070 384

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) research and development	(208)	(596)
(b) patent fees	(33)	(134)
(c) advertising and marketing	0	0
(d) leased assets	0	0
(e) staff costs	(192)	(699)
(f) administration and corporate costs	(138)	(690)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	3	8
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	520	520
1.8 Other	0	0
1.9 Net cash from / (used in) operating activities	(48)	(1,590)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	0	0
(b) businesses (see item 10)	0	0
(c) investments	0	0
(d) intellectual property	0	0
(e) other non-current assets	0	0

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	0	0
	(b) businesses (see item 10)	0	0
	(c) investments	0	0
	(d) intellectual property	0	0
	(e) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	Net cash from / (used in) investing activities	0	0

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	4,970	8,285
3.2	Proceeds from issue of convertible notes	0	0
3.3	Proceeds from exercise of share options	0	0
3.4	Transaction costs related to issues of shares, convertible notes or options	(382)	(577)
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	0	0
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other	0	0
3.10	Net cash from / (used in) financing activities	4,588	7,708

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,011	1,434
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(48)	(1,591)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from capital raising (item 3.10 above)	4,588	7,708
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	7,551	7,551

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,551	3,011
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,551	3,011

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	69
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	0
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	0
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	0
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	0	0
8.2	Credit standby arrangements	0	0
8.3	Other (please specify)	0	0
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Research and development	197
9.2	Product manufacturing and operating costs	0
9.3	Advertising and marketing	0
9.4	Leased assets	0
9.5	Staff costs	217
9.6	Administration and corporate costs	207
9.7	Other (provide details if material)	0
9.8	Total estimated cash outflows	621

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Company Secretary

Date: 31 July 2019

Print name: P Collinson

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.