



30 January 2012  
Company Announcements Office  
Australian Stock Exchange  
Level 6, 20 Bridge Street  
Sydney NSW 2000

**Appendix 4C for the quarter ending 31 December 2011 (ASX:ADO)** Anteo Diagnostics Limited (ASX : ADO) attaches its Appendix 4C for the quarter ending 31 December 2011.

### **CEO REPORT - QUARTER ENDED 31 DECEMBER 2011**

Dear Shareholders,

Anteo Diagnostics Limited (ASX:ADO) is pleased to report on its activities for the quarter ending 31 December 2011. Anteo has made significant progress in strengthening its intellectual property (IP) position whilst several key developments have occurred in overseas markets.

#### **INTELLECTUAL PROPERTY (IP) PROTECTION**

In early December, Anteo was granted the “Use of Metal Complexes” patent for Mix&Go™ by the Japanese Patent Office.

As highlighted at the time of this announcement, there are many commercially important reasons to bind biological molecules onto synthetic materials for the diagnosis of various diseases. These molecules are often fragile and do not react well when exposed to non-biological conditions. The “Use of Metal Complexes” patent covers the IP for the use of Mix&Go™ to facilitate this important binding process.

The company is pleased with this development as protecting the IP surrounding the Mix&Go™ technology is critical as Anteo continues to advance negotiations for new sales and licensing agreements.

In the current quarter, Anteo has received a Notice of Allowance from the United States Patent and Trademark Office (USPTO) for the “Use of Metal Complexes” patent for Mix&Go™.

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Both the US and Japan are commercially significant markets for Anteo and the company can now confidently pursue commercial agreements in these markets with the knowledge that the Mix&Go™ technology is protected.

Also of note is the speed with which Anteo managed to obtain grants in these markets. Both in Japan and the US, grants often take significantly longer and are more restrictive in the claims that are allowed. We believe that our experience is attributable to the quality of the initial filing but also the astuteness of our Chief Scientific Officer, Dr Joe Maeji, and Patent Attorney Dr Tom Gumley. The number of patents granted to Australian biotechnology companies in the US remains relatively small, so this is a major development for Anteo and a strong vote of confidence for Mix&Go™.

### **COMMERCIAL DISCUSSIONS**

In December 2011, Anteo informed the market that the company had progressed dialogue with a number of potential customers. We are pleased to inform shareholders that these discussions are continuing and remain positive. We are encouraged by the fact that none of our discussions have ceased or diminished due to a lack of interest in the Mix&Go™ technology. However, with many of these major global companies, a considerable amount of time is spent assessing new technology and undertaking due diligence prior to accepting any new product such as Mix&Go™.

We understand the frustrations of this slow process and realise shareholders' expectations surrounding the importance of signing commercial agreements with these large companies. We will of course update shareholders on any developments, however, given the sensitive nature of such discussions, Anteo is bound by strict disclosure obligations.

### **CORPORATE**

Anteo's cash balance remains sound with \$5,528,617 in the bank at the end of the quarter ended 31 December 2011, which gives Anteo the financial flexibility to fund its activities through to the end of 2013 at the current burn rate. This forecast excludes any future potential revenue streams.

We are pleased with the progress Anteo is making and we are focused on converting enquiries into new sales and licensing agreements. We are excited by the Mix&Go™ technology and the Board has sound reasons for continued optimism.

**Dr Geoff Cumming**  
**CEO**  
**Anteo Diagnostics Limited**

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# 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")

31-Dec-11

### Consolidated statement of cash flows

		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from customers and government grants	38	87
1.2	Payments for		
	(a) staff costs	(343)	(714)
	(b) advertising and marketing	(62)	(147)
	(c) research and development (excluding staff costs relating to R&D)	(130)	(246)
	(d) leased assets	-	-
	(e) other working capital	(244)	(524)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	113	266
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
<b>Net operating cash flows</b>		<b>(628)</b>	<b>(1,278)</b>

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		Current quarter \$A'000	Year to date (6 months) \$A'000
1.8	Net operating cash flows (carried forward)	(628)	(1,278)
	<b>Cash flows related to investing activities</b>		
1.9	<b>Payment for acquisition of:</b>		
	(a) Businesses	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(1)	(57)
	(e) other non-current assets	-	-
	<b>Proceeds from disposal of:</b>		
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	-	-
	<b>Net investing cash flows</b>	<b>(1)</b>	<b>(57)</b>
1.14	<b>Total operating and investing cash flows</b>	<b>(629)</b>	<b>(1,335)</b>
	<b>Cash flows related to financing activities</b>		
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:		
	Conversion of converting notes	-	-
	Interest paid on converting notes	-	-
	Capital raising costs	-	-
	<b>Net financing cash flows</b>	<b>-</b>	<b>-</b>
	<b>Net increase (decrease) in cash held</b>	<b>(629)</b>	<b>(1,335)</b>
1.21	Cash at beginning of quarter/year to date	6,158	6,864
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	<b>Cash at end of quarter</b>	<b>5,529</b>	<b>5,529</b>

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	<b>182</b>
1.25	Aggregate amount of loans to the parties included in item 1.11	<b>NIL</b>

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	<b>NIL</b>	<b>NIL</b>
3.2	Credit standby arrangements	<b>NIL</b>	<b>NIL</b>

**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	5,036	22
4.2	Deposits at call	493	6,136
4.3	Bank overdraft		-
4.4	Other - Funds held in trust re. Open Prospectus Offer		-
<b>Total: cash at end of quarter (item 1.23)</b>		<b>5,529</b>	<b>6,158</b>

## 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 January 2012

(Director)

Print name: **Richard Martin**

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