

## BIO-GENE SEPTEMBER 2019 QUARTERLY UPDATE

- **First exclusive evaluation partnership announced with BASF in Australian Stored Grain Pest control**
- **Six Material Transfer Agreements currently in place with potential global partners across all key verticals**
- **Several further trials exhibiting positive data for controlling key pests in multiple verticals**

Bio-Gene Technology Limited (ASX: BGT, 'Bio-Gene' or 'the Company') today announced an update on its activities for the quarter ending 30 September 2019 and to date.

The last few months represented an important period for the Company with the announcement of the Company's first exclusive evaluation agreement with the world's leading chemical company BASF. On 23 September, Bio-Gene announced its partnership with BASF to develop Flavocide™ for use in stored grain pest control in Australia. The research will be undertaken by the Department of Agriculture & Fisheries, Queensland Government (DAF), who are recognised experts in the field of stored grain pests.

Bio-Gene's discussions with potential commercial partners are progressing well. The Company currently has six Material Transfer Agreements (MTA's) signed with potential global partners, with the expectation, based on current discussions for that number to increase. These MTA's cover opportunities across four key verticals of Crop Protection, Grain Storage, Public Health and Consumer Products. Under these MTA's Bio-Gene has provided Flavocide™ and Qcide™ to these companies for their internal evaluation and together we have agreed on specific testing protocols and target pests, ensuring we can discuss ongoing results with the various R&D divisions and protect and build on our Intellectual Property throughout the process.

Separately, during the period, Bio-Gene provided an update on its ongoing program of trials of Flavocide as a protectant insecticide in grain storage that commenced in December 2017. The testing results showed 100% residual control of offspring of adult lesser grain borer, a major grain storage pest, over a six-month period under field conditions. The results provide further validation of Flavocide's potential for control of grain storage pests in commercial applications. Six months of residual efficacy is an important threshold for a new compound to be considered viable in a commercial application for the grain sector.

Bio-Gene Chief Executive Officer and Managing Director, Richard Jagger said: "During the past few years we have created a suite of trial data and IP relating to efficacy, toxicity, mode of action and manufacturing which underpin our well-defined pathway to commercialisation.

"The focus now is on advancing our commercialisation strategy and during the past few months we delivered on several key milestones. Our partnership with BASF represents an important endorsement of our technology. Importantly, having alignment with a top tier global commercialisation company in BASF and a world class research organisation in DAF, to support this trial program gives us the best possible opportunity to advance the technology," he said.

Bio-Gene continued the testing on resistant mosquitoes at Purdue University with a specific focus on a resistant strain of mosquito which carries Malaria. This testing has taken longer to complete than originally estimated but the Company looks forward to updating shareholders in the coming weeks once the final report has been received from Purdue.

At the end of the quarter, Bio-Gene held \$3.9 million in cash which, based on current plans, provides the Company with sufficient cash for 12 months. In October 2019 the Company received an R&D Incentive payment of \$465,293 relating to R&D spend in Australia during FY2019.

- ENDS -

**Bio-Gene Technology Limited**

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E: [dgunn@henslow.com](mailto:dgunn@henslow.com)**About Bio-Gene Technology Limited**

Bio-Gene is an Australian AgTech company enabling the next generation of novel insecticides to address the global problems of insecticide resistance and toxicity. Bio-Gene's novel platform technology is based on a naturally occurring class of chemicals known as beta-triketones.

Beta-triketone compounds have demonstrated insecticidal activity (e.g. kill or knock down insects) via a novel mode of action in testing performed to date. This platform may provide multiple potential new solutions for insecticide manufacturers in applications across crop protection and storage, public health, consumer applications and animal health. The Company's aim is to develop and commercialise a broad portfolio of targeted insect control and management solutions.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Bio-Gene Technology Limited

**ABN**

32 071 735 950

**Quarter ended ("current quarter")**

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) research and development	(282)	(282)
(b) commercialisation expenses	(79)	(79)
(c) management administration expenses	(48)	(48)
(d) directors' expenses	(49)	(49)
(e) professional services	(148)	(148)
(f) intellectual property	(6)	(6)
(g) administration and corporate costs (see note 4)	(49)	(49)
1.3 Dividends received (see note 3)		
1.4 Interest received	24	24
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	0	0
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>( 637)</b>	<b>( 637)</b>

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>0</b>	<b>0</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of notes		
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings	(4)	(4)
3.7 Transaction costs related to borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(4)</b>	<b>(4)</b>

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	4,499	4,499
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(637)	(637)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(4)	(4)
4.5 Effect of movement in exchange rates on cash held		
<b>4.6 Cash and cash equivalents at end of quarter</b>	<b>3,858</b>	<b>3,858</b>

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	13	22
5.2 Call deposits	195	177
5.3 Bank overdrafts	-	-
5.4 Other (Term Deposits)	3,650	4,300
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,858</b>	<b>4,499</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	208
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	N/A
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors' fees and consulting fees paid to Directors and their related entities.

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

<b>8.</b>	<b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1	Loan facilities	N/A	N/A
8.2	Credit standby arrangements	N/A	N/A
8.3	Other (please specify)	N/A	N/A
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	400
9.2	Commercialisation expenses	80
9.3	Management administration expenses	50
9.4	Directors' expenses	50
9.5	Professional services	90
9.6	Intellectual property	20
9.7	Administration and corporate costs (see note 4)	70
9.8	Other (provide details if material)	-
<b>9.9</b>	<b>Total estimated cash outflows</b>	<b>760</b>

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

### 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:                      Date: 31 October 2019



Print name:                      Roger McPherson  
Company Secretary

**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.
4. Net movements in GST are included in this item.
5. Prior Quarter Corrections. Immaterial minor errors and reallocations of expenses from previous quarter reports are corrected on a year to date basis. Movements disclosed for the current quarter have been correctly calculated.