

BIO-GENE MARCH 2021 QUARTERLY UPDATE

- Continued progress in relation to key value generating milestones outlined at AGM
- Advancement of BASF/GRDC stage 3 field grain storage trials with results expected Q3 CY2021
- Advancement of Stage 2 of Clarke Mosquito product development program with results expected late Q2 CY2021
- Confirmation of a definitive target site of Flavocide™ in insect cells which support's Flavocide's novel Mode of Action claim
- Completion of Board restructure with the appointment of Non-executive Directors, James Joughin and Andrew Guthrie
- Positive developments relating to the manufacturing processes of both Flavocide and Qcide™
- Strong cash position as at 31 March 2021 of \$4.3 million

Bio-Gene Technology Limited (ASX: BGT, 'Bio-Gene' or 'the Company'), an agtech development company enabling the next generation of novel insecticides, today announced an update on its activities for the quarter ending 31 March 2021 and to date.

Bio-Gene Chief Executive Officer and Managing Director, Richard Jagger said: "Bio-Gene continues to advance the business in accordance with our short and long-term goals. A significant component is ensuring we have the right skillset around us for the current stage of business development. We were delighted to announce the appointments of James Joughin and Andrew Guthrie to the Board. James brings significant experience within capital markets, compliance and risk management while Andrew brings significant industry experience having worked in senior roles at Syngenta for 32 years. We have also significantly stepped up our communications program, with the assistance of social media specialists Everest Connect and investor and media relations experts Monsoon Communications. I'm confident we have a very strong team around us as we focus on our key goals.

"These goals remain to develop innovative and safe insecticides based on two unique molecules in partnership with leading players in the agrochemical and public health sectors. Our objective is to generate multiple revenue streams from technology licensing fees, milestone payments and royalties by:

- Achieving and owning registrations of Qcide and Flavocide by generating the data package required by regulatory bodies worldwide;
- Commercialising our technology through collaboration with commercial partners on product development, marketing and distribution;
- Developing proprietary manufacturing and production know-how;
- Building a large and product focused patent and proprietary rights portfolio; and
- Identifying and promoting additional applications for Qcide and Flavocide through applied research.

"Successfully executing on these objectives will ensure the future success of the company and will generate meaningful, increased value for our shareholders."

DEVELOPMENT OF ACTIVE INGREDIENT INTERNATIONAL REGISTRATION PACKAGE

Toxicity / registration enabling studies

Bio-Gene continues to invest in studies to develop a comprehensive product data package to support our regulatory approvals. This process also involves regular regulatory reviews with our advisors to confirm the regulatory pathway and to optimise data generation programs that best match our commercial objectives. We are very confident that our results to date support the targeted applications for our products. Our model for registration

supports both Qcide and Flavocide and takes into account the differing data requirements in key markets and geographies of our potential commercial partners, as identified within our on-going discussions, as well as different application verticals. Our approach is to develop a data package for both molecules which will support regulatory approval across our key identified verticals in our partners' major markets.

Manufacturing

Flavocide

With our manufacturing partner Boron Molecular, we are advancing the scale up of Flavocide production and are mid-way through the process of our 5-batch pilot scale production validation, which is an essential step for demonstrating the ability to manufacture product consistently, as well as providing product chemistry data required as part of the registration dossier.

Qcide

With James Cook University, we have completed the review of modifications to our extraction process from the last harvest in late 2020 and confirmed the proposed future laboratory and field-experimentation including further adjustments to equipment aimed at realising additional yield improvements of Qcide at the next harvest, later this year. We are also continuing with additional collaborative activity with James Cook University to enhance the rate of growth, and oil yield, in trees.

EFFICACY: LEAD PRODUCT DEVELOPMENT AREAS

Long term stored grain product efficacy – working with BASF and GRDC

In our last quarterly report, we confirmed that Stage 3 of the four-way collaborative research program relating to stored grain pest control with BASF, Grains Research and Development Corporation (GRDC), and Queensland Department of Agriculture and Fisheries (DAF) had commenced. This project is progressing well, with results and a review of the three-month post-treatment data from the residual efficacy study expected very soon, as an interim step towards the full 9-month study. Additional studies to confirm activity of Flavocide in grains (maize, barley) other than wheat are also being undertaken as part of this project.

Public Health - working with Clarke on mosquito control

The development work underway with Clarke Mosquito Control in the United States continues to progress and as outlined in the last quarterly update, we are on track to review the current studies at the end of Q2 this calendar year. Clarke is evaluating both of our molecules, and as these studies have advanced, we have continued dialogue with Clarke about the next stage of our agreement for commercialising our products for this important market opportunity.

Material Transfer Agreements (MTAs)

Relationships with other companies continues via our existing MTAs evaluating both Qcide and Flavocide and we aim to advance some of those opportunities into the next stage of commercial agreement (similar to BASF and Clarke). It is an important part of Bio-Gene's strategy to continue to foster new potential applications for our products, and advance discussions with companies who are trialling our technology in their particular fields of interest. Inviting specific companies to test our products under new MTAs is a target for Bio-Gene and we are actively pursuing those opportunities to assist in identifying new opportunities for both Qcide and Flavocide.

EFFICACY: INTERNAL PROGRAMS

Ongoing Research Program at Purdue University

Additional research is underway at Purdue University to support our mosquito programs, which could also have strong indicative value across other target pests. The studies look at the ability of our products to interfere with the life cycle of target pests, in particular the post exposure effects on the viability of offspring of individuals treated

with our products. Under the guidance of Professor Catherine Hill, these studies have now commenced, and we expect results later in Q2 of CY2021.

Ongoing New Applications Research

As reported previously, the company has engaged with leading contract research organisations based in Europe, USA and Australia to conduct a range of studies with our products designed to support and build upon previous internal studies, identify new market opportunities and to further our understanding of the technology. These studies are now underway and will help support the proposition for specific target pest applications in our discussions with potential commercial partners.

BUILDING OUR EXPERTISE AND EXPERIENCE

Board of Directors

As reported at the AGM, the Company has continued to assess the skills matrix required to meet the needs of our evolving business. In particular, we identified the need to obtain Board level expertise in capital markets, corporate governance / risk management, deal-making and industry experience with technology development. In the past two months, the Company was very pleased to announce the appointments of Mr. James Joughin and Mr. Andrew Guthrie as Non-executive Directors. At this stage the Company is confident that the Board, supplemented where necessary with advisors, now has the required skill sets to take Bio-Gene to the next stage of its development,

James is a highly experienced ASX listed and private company Director. He is currently the Non-Executive Chairman at Spirit Technology Solutions Ltd (ASX:ST1) and a Non-Executive Director at Mydeal.com.au Ltd (ASX:MYD), Viridian Financial Group Ltd (an unlisted public company) and Melbourne Institute of Technology Pty Ltd. Past directorships have included companies in healthcare, engineering, and veterinary products.

Prior to his career as a non-executive director, James was a Partner in a Big 4 accounting professional services firm and led the Melbourne office corporate finance section in the areas of mergers & acquisitions, IPO's, debt and equity raisings and private equity.

Andrew has dedicated his career to agriculture and worked for 32 years with one of the world's leading agriculture companies, Syngenta, and predecessor companies around the world.

During his career, Andrew led business growth in developed and emerging markets by creating country operating businesses with the right culture, capability, people and business strategies to access attractive market segments that constituted tens of millions of grower customers in some countries. Andrew has a strong understanding of corporate governance and the risk management required to successfully grow business in emerging markets.

Andrew was part of Syngenta's Global Crop Protection Leadership team that was responsible for business strategy that leveraged Syngenta's extensive research and development capability to invent, gain regulatory approval and launch new products, including insecticides, to agricultural markets globally.

INTELLECTUAL PROPERTY

As reported previously, two of our patent applications have now entered into the National Phase in Australia and selected overseas jurisdictions. These patent applications cover specific applications of platforms in the control of resistant pest populations when used alone and in combination with other chemistries and, when granted, will give us patent protection in our major target markets to 2039. We have responded to initial feedback on the applications, and we now await further deliberation before acceptance of our proposed claims.

MODE OF ACTION (MOA)

In February 2021, Bio-Gene Technology announced the successful completion of MoA studies which confirm a definitive target site of Flavocide in insects. These results represent a key milestone in the development of Bio-Gene's proprietary insecticide technology and presents the opportunity to more emphatically promote this key benefit of our technology.

Previous studies demonstrated that Flavocide has a MoA quite different to other known insecticide classes, with activity located within a region of the insect not targeted by other chemistry. These results are supported by efficacy testing on populations of pests resistant to other classes of chemistry, where Bio-Gene's technology was shown to control those resistant pests.

Categorically identifying the site of the unique MoA for Flavocide and Qcide enables increased engagement with both industry experts and commercial companies who are looking to find new chemistry to develop effective commercial products.

These results also provide critical information that will be important in creating validation data which will ultimately enable Bio-Gene to apply for a "new class of chemistry" with IRAC (Insecticide Resistance Action Committee), a specialist technical group of the global industry association CropLife. A unique classification means Flavocide, and other beta-triketone-based insecticides such as Bio-Gene's Qcide, would be incorporated into current and future Resistance Management Programs developed by the industry for specific pest/crop situations.

IRAC has identified only 32 groupings of chemistry showing unique MoAs, most of which have now been impacted significantly by resistance or concerns over their toxicity profile. The last grouping to offer significant disruptive technology was Group 28 Diamides, introduced to the market in 2008. Current sales of Diamide chemistry are estimated to exceed US\$2.3 billion.

While a submission to IRAC regarding classification is not expected until closer to registration, the Company will share results on MoA testing with companies already reviewing Bio-Gene's technology to provide guidance in testing and product development as they look for novel ways to address resistance management in insect control.

INVESTOR COMMUNICATIONS

Bio-Gene has reviewed its Communications Strategy and is stepping up engagement initiatives with shareholders, potential investors and other relevant stakeholders. During the period under review the Company has:

- Updated it's LinkedIn page - <https://au.linkedin.com/company/bio-genetechnology>
- Launched a Twitter Profile - <https://twitter.com/biogenetechltd>
- Presented at a Twilight Investor Briefing on 15 April
- Attended and presented at the Victoria Cleantech Expo on between 20 and 22 April and being awarded best Cleantech Pitch
- Developed a clear roadmap for continued presentations and updates over the coming 6 months

The Company will continue to focus on this important area.

COVID-19

As stated previously, COVID-19 has had no significant impact on the Company's business processes or commercialisation strategy, other than delays experienced by some of the research laboratories testing our products. These delays are a result of careful evaluation and realignment of the procedures and operating protocols of each lab. These organisations are now comfortable they can carry out agreed testing in a way that ensures the

safety of their people and the integrity of the results. Where there may be some delay in the completion of certain testing, the company is confident in the determination of each company to complete their testing programs.

CASH POSITION

As at 31 March 2021, Bio-Gene held \$4.3 million in cash, which based on current plans, provides the Company with sufficient cash to operate beyond 12 months.

Approved for release by the Board of Directors.

- ENDS -

For further information, please contact:*Bio-Gene Technology Limited:*

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About Bio-Gene Technology Limited

Bio-Gene is an Australian agtech company enabling the next generation of novel insecticides. 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.

Flavocide™ and Qcide™ are trademarks of Bio-Gene Technology Limited.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Bio-Gene Technology Limited

ABN

32 071 735 950

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	40
1.2 Payments for		
(a) research and development	(365)	(911)
(b) commercialisation expenses	(53)	(169)
(c) management administration expenses	(32)	(110)
(d) directors' expenses	(33)	(118)
(e) professional services	(28)	(111)
(f) intellectual property	(4)	(69)
(g) administration and corporate costs (see note 6)	(239)	(294)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	30
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	31	506
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(716)	(1,206)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(3)	(3)
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) 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)		
2.6	Net cash from / (used in) investing activities	(3)	(3)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(21)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings (lease)	(4)	(11)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(4)	(32)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,004	5,522
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(716)	(1,206)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(4)	(32)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,281	4,281

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	27	12
5.2	Call deposits	2,054	592
5.3	Bank overdrafts	-	-
5.4	Other (Term Deposits)	2,200	4,400
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,281	5,004

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	170
6.2	Aggregate amount of payments to related parties and their associates included in item 2	N/A
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Note 6.1: Director's fees paid to Directors or their related entities.

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	N/A	N/A
7.2 Credit standby arrangements	N/A	N/A
7.3 Other (please specify)	N/A	N/A
7.4 Total financing facilities	N/A	N/A
7.5 Unused financing facilities available at quarter end		N/A
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(716)
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,281
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	4,281
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	6
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date: 30 April 2021

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
6. Net movements in GST are included in this item.
7. 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.