

26 April 2016

March 2016 Quarterly Update and Appendix 4C

Highlights:

- **Positive cashflow from operations for the March 2016 quarter;**
- **36% increase in Year on Year to March sales of PCC products;**
- **\$1.36 million closing cash balance for the period;**
- **Appointment of Executive Director to drive further sales and 2016 goals.**

Bioxyne Limited (the Company) completed the March 2016 quarter with a positive operating cash flow of \$258,000 which exceeded the prior quarter. Cash collections totalled \$647,000 representing an 81% increase from the quarter ending 31 December 2015 of \$356,000.

The increase in collections was the result of further sales of, and receipts of debtors from, its proprietary probiotic (*Lactobacillus fermentum* VRI-003, PCC®).

Revenue from PCC® sales and royalties for the year to March are in excess of \$1,492,000 which is 36% higher than the same period last year (2015: \$1,100,000) with the Company reporting a closing cash balance of \$1,365,000 (2015: \$1,150,000).

Dr. Peter French was appointed on 15 February 2016 as an Executive Director. The appointment and announcement of key strategic initiatives of the Company has been implemented via the Company's business plan to widen the distribution of its *Lactobacillus fermentum* VRI-003 strain of probiotic over the next two years. Marketing and product development costs will be funded out of existing cash reserves.

The Board continues to seek further growth opportunities to enhance shareholder value.

For more information, please contact:

Dr. Peter French	Executive Director	 Mobile +61 412 457 595
Mr. Tony Ho	Chairman	 Mobile +61 417 345 839

About Bioxyne Limited:

Bioxyne is an ASX-listed biomedical company (**ASX:BXN**) that owns international granted patents for a unique probiotic bacterium, *Lactobacillus fermentum* VRI-003, trademarked as PCC®. PCC®'s health benefits have been demonstrated in a range of scientific and clinical studies. Bioxyne licences the manufacturing and distribution of PCC® to Chr. Hansen (Denmark) a global leader in the manufacturing of natural food cultures and enzymes for the food, health and wellness, pharmaceutical and animal health industries. PCC® is also sold worldwide as ProBioPCC™ through Nu Skin Enterprises, an American multi-level marketing company which develops and sells personal care products and dietary supplements. Strategic initiatives are underway to launch products in Australia and to expand sales in high probiotic growth markets including China and South East Asia.

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

Bioxyne Limited

ABN

97 084 464 193

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from customers	647	1,665
1.2 Payments for		
(a) staff costs	(15)	(15)
(b) advertising and marketing	-	(26)
(c) Royalty payments	-	-
(d) leased assets	-	-
(e) cost of goods sold	(145)	(668)
(f) other working capital	(229)	(511)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (R&D Tax Concession Proceeds)	-	-
Net operating cash flows	258	446

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
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	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	258	446
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(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	-	-
Net investing cash flows	-	-
1.14 Total operating and investing cash flows	258	446
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from issue of convertible notes	-	-
1.18 (Repayment)/Proceeds of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Cost of issuing equity	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	258	446
1.21 Cash at beginning of quarter/year to date	1,184	958
1.22 Exchange rate adjustments	(77)	(39)
1.23 Cash at end of quarter	1,365	1,365

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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	94
1.25 Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Amounts included in item 1.24 include consultancy fees and Directors fees paid to Directors or their nominees. All transactions with related parties are net of any applicable GST and have been incurred on an arm's length basis.

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

N/A

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

N/A

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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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	1,365	1,184
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		1,365	1,184

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	-
5.2	Place of incorporation or registration	-
5.3	Consideration for acquisition or disposal	-
5.4	Total net liability	-
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 (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:



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(Director/Company secretary)

Date: 26 April 2016

Print name: Jarrod T White

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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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