

## **Quarterly cash flow and activities report – 31 December 2015**

Genetic Signatures (ASX: GSS) is pleased to report on its activities for the quarter ended 31 December 2015.

### **Quarter highlights:**

- Total sales revenue of \$410,000, representing 69% growth on the previous corresponding period
- Diagnostic kit sales of \$405,000, representing 72% growth on the previous corresponding period
- Cash receipts from customers of \$365,000
- Cash at 31 December: \$4,277,000
- Collaboration with University of California Los Angeles established, with the aim of determining the benefit, in terms of decreased infection rates in the US healthcare system, to be had by using Genetic Signatures' *EasyScreen<sup>TM</sup>* diagnostic platform compared to traditional testing methods
- Ongoing activities enabling the company's continued expansion and sales growth, including product line expansion, further refinement of sales and marketing strategies, and ongoing and new discussions with potential customers

### **Activities subsequent to period:**

- Increase in personnel with appointments including administration and customer support, product development and manufacturing staff
- Expanded and improved manufacturing and warehousing facilities

### **Upcoming activities:**

- The focus for Q1 2016 remains financial growth, market share expansion, and product range extension
- Expansion activities will continue with additional staff appointments during the current quarter
- Sales to existing and new customers, locally and internationally, driving sales growth
- Continued R&D and expansion of the *EasyScreen<sup>TM</sup>* product menu

### **Corporate:**

AGM held on Monday 9 November 2015.

## Commentary

Genetic Signatures recorded another quarter of strong growth for the period ended 31 December 2015, with total sales revenue growth of 69% on the previous corresponding quarter, and diagnostic revenue growth of 72% on the previous corresponding quarter.

Expansion activities for the quarter were focused on increasing the revenue generating potential of the company via market share growth and an expanded product range, resulting in increased personnel and additional facilities for manufacturing and warehousing.

The focus for the current (Q1 CY16) remain as those for last quarter.

The Company looks forward to updating the market over the coming quarter as additional milestones are achieved.

For further information, see our website ([www.geneticsignatures.com](http://www.geneticsignatures.com)) or contact us as below:

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**About Genetic Signatures:** Genetic Signatures is a specialist molecular diagnostics (MDx) company focused on the development and commercialisation of its proprietary platform technology, *3Base™*. Founded in 2001 by the late Dr Geoffrey Grigg, the former Chief of Molecular Biology at CSIRO, Genetic Signatures has released a suite of real-time PCR based products for the routine detection of infectious diseases under the *EasyScreen™* brand. Molecular diagnostics (MDx) is a modern technique increasingly used by hospitals and pathology laboratories to detect specific sequences of the genome, the DNA or RNA that define an organism.

Genetic Signatures' proprietary MDx *3Base™* platform technology provides high-volume hospital and pathology laboratories the ability to screen for a wide array of infectious pathogens, with a high degree of specificity, in a rapid throughput (time-to-result) environment.

The *EasyScreen™* Enteric Detection Kits were the first product line launched as part of the *EasyScreen™* product range in 2012. This panel of assays supports hospitals and laboratories to screen for a wide range of infectious agents including viral, bacterial and protozoan agents. The *EasyScreen™* Respiratory Virus Detection Kits detects 15 viral causes of respiratory infection.

Genetic Signatures' current target markets are major hospital and pathology laboratories undertaking infectious disease screening. As the spread of infectious diseases around the world continues to grow, the Company plans to launch additional products for the detection of pathogens associated with MRSA, sexual health infections, tuberculosis and meningitis.

# 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

GENETIC SIGNATURES LIMITED

ABN

30 095 913 205

Quarter ended ("current quarter")

December 2015

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	365	748
1.2 Payments for (a) staff costs	(776)	(1,331)
(b) advertising and marketing	(18)	(18)
(c) research and development	(388)	(666)
(d) leased assets	-	-
(e) other working capital	(68)	(118)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	13
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Cost of Goods	(283)	(534)
Research & Development Tax Concession	-	968
<b>Net operating cash flows</b>	<b>(1,163)</b>	<b>(939)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(1,163)</b>	<b>(939)</b>
<b>1.9 Cash flows related to investing activities</b>		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	(3)
(d) physical non-current assets	(32)	(211)
(e) other non-current assets	-	-
<b>1.10 Proceeds from disposal of:</b>		
(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 (provide details if material)	-	-
	<b>(32)</b>	<b>(214)</b>
<b>Net investing cash flows</b>		
<b>1.14 Total operating and investing cash flows</b>	<b>(1,195)</b>	<b>(1,153)</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 (provide details if material)	-	-
Listing & Share Issue Expenses	-	(30)
<b>Net financing cash flows</b>	<b>-</b>	<b>(30)</b>
<b>Net increase (decrease) in cash held</b>	<b>(1,195)</b>	<b>(1,183)</b>
1.21 Cash at beginning of quarter/year to date	5,472	5,460
1.22 Exchange rate adjustments to item 1.20	-	-
<b>1.23 Cash at end of quarter</b>	<b>4,277</b>	<b>4,277</b>

+ See chapter 19 for defined terms.

**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	167
1.25	Aggregate amount of loans to the parties included in item 1.11	-

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

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

**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**

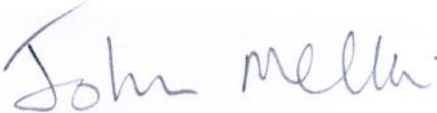
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,277	2,472
4.2 Deposits at call	3,000	3,000
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)	<b>4,277</b>	<b>5,472</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

**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:   
 (Director)

Date: 29 January 2016

Print name: John Melki

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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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