

QUARTERLY BUSINESS UPDATE

Perth, Australia, 31 October 2017: Australian life sciences company BARD1 Life Sciences Limited (ASX:BD1) (**BARD1 LSL** or the **Company**) is pleased to provide the following update on its business activities for the first quarter to 30 September 2017.

Financial update

The closing cash balance at the end of the first quarter on 30/9/17 was \$1.71M. The net operating cash outflow for the quarter was \$350K, down from the previous quarter (\$743K in 4Q2017), comprising Research and Development (R&D) expenditure of \$42K on the BARD1 pipeline, patent costs of \$56K, and staff, corporate and administration costs of \$254K. Net cash from financing activities during the quarter was \$1.415M.

Successful Capital Raising

During the quarter BARD1 LSL successfully completed a Placement to sophisticated investors followed by a Share Purchase Plan (SPP) to eligible shareholders to issue a total of 189,165,811 shares at an issue price of A\$0.008 raising A\$1.513 million, before costs (see ASX announcement of 11/7/17 and 4/8/17). The funds raised from the combined Placement and SPP are being used to advance research and development programs, commercial initiatives and for general working capital purposes.

Research and Development (R&D) update

BARD1's R&D activities during the quarter included working with its diagnostic development consultants (ResearchDx) and Advisory Board to review its previous diagnostic studies, and plan and prepare for additional retrospective studies to further evaluate and optimise its BARD1 autoantibody tests for early detection of cancer, before advancing the BARD1 Tests into technical and clinical validation studies.

The retrospective ovarian cancer (OC400) study to evaluate the accuracy of the BARD1 Ovarian Cancer Test for detection of ovarian cancer in 400 samples of ovarian cancer and healthy controls is expected to be completed in December 2017.

Further lung cancer studies will be implemented following the successful completion of the OC400 study and the technical validation of a standardised BARD1 autoantibody test on a commercial assay platform.

Additionally, the Company completed Stage 1 of its Cancer Vaccine collaboration with the Institute for Respiratory Health (IRH), and submitted an Animal Ethics Committee application which is required to commence Stage 2 to evaluate the *in vivo* effectiveness of the BARD1 vaccine formulations for reducing tumour growth in animal studies.

Intellectual Property Portfolio

Australian Patent number 2011292809 titled "BARD1 isoforms in lung and colorectal cancer and use thereof" was granted by IP Australia on 28 July 2017 (see ASX announcement 07/08/17). This patent family protects the sequence of various BARD1 isoforms specific to lung and colorectal cancer, a method for detecting the presence of the specific BARD1 isoforms, and a method for treating and/or preventing lung cancer and colorectal cancer. This core patent family now has 4 granted patents in the US, Japan, China and Australia, with other jurisdictions pending.

Advisory Board appointment

BARD1 LSL appointed international respiratory medicine expert, Dr Samuel Janes MBBS MRCP MSc PhD, as a member of its Advisory Board in July 2017 (see ASX announcement 20/7/17). Dr Janes will provide independent scientific and clinical advice to guide BARD1's research, development and business programs.

New Publication

A key paper on the original proof of concept (POC) Study results and underlying scientific methodology for the BARD1 Lung Cancer Test was published in international peer-reviewed journal *PLoS ONE* on 7th August 2017 (see ASX announcement 08/08/17). The paper titled 'BARD1 serum autoantibodies for early detection of lung cancer' describes a simple and reliable blood test for early detection of all types of lung cancer based on the immunogenicity of aberrant forms of BARD1 protein that are upregulated in lung cancer.¹

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FOR MORE INFORMATION PLEASE CONTACT:

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ABOUT BARD1 LIFE SCIENCES LTD (BARD1 LSL)

BARD1 Life Sciences Ltd (ASX:BD1) is an Australian biotechnology company focused on developing and commercialising non-invasive diagnostic tests for early detection of cancer. Its lead product, the BARD1 Lung Cancer Test, is a blood test in development for early detection of lung cancer, utilising novel tumour markers and a proprietary algorithm. The company's pipeline also includes the BARD1 Ovarian Cancer Test in development for early detection of ovarian cancer, and high-value diagnostic and therapeutic projects at research-stage for multiple cancers. BARD1 LSL is committed to transforming the early detection and prevention of cancer to help improve patients' lives.

¹ Pilyugin M, Descloux P, Andre P-A, Laszlo V, Dome B, Hegedus B, et al. BARD1 serum autoantibodies for early detection of lung cancer. *PLoS ONE* 12(8): e0182356 <https://doi.org/10.1371/journal.pone.0182356>

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

BARD1 LIFE SCIENCES LIMITED

ABN

58 009 070 384

Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) research and development	(42)	(42)
(b) patent fees	(56)	(56)
(c) advertising and marketing	0	0
(d) leased assets	0	0
(e) staff costs	(136)	(136)
(f) administration and corporate costs	(118)	(118)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	0	0
1.8 Other (provide details if material)	0	0
1.9 Net cash from / (used in) operating activities	(350)	(350)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	0	0
(b) businesses (see item 10)	0	0
(c) investments	0	0
(d) intellectual property	0	0
(e) other non-current assets	0	0

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

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

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	1,513	1,513
3.2	Proceeds from issue of convertible notes	0	0
3.3	Proceeds from exercise of share options	0	0
3.4	Transaction costs related to issues of shares, convertible notes or options	(98)	(98)
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	0	0
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
3.10	Net cash from / (used in) financing activities	1,415	1,415

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	645	645
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(350)	(350)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	0
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,415	1,415
4.5	Effect of movement in exchange rates on cash held	0	(0)
4.6	Cash and cash equivalents at end of quarter	1,710	1,710

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	1,710	645
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,710	645

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	67
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	0
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

7. Payments to related entities of the entity and their associates

**Current quarter
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

0

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

0

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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8. Financing facilities available

Add notes as necessary for an understanding of the position

**Total facility
amount at quarter
end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

8.1 Loan facilities

0

0

8.2 Credit standby arrangements

0

0

8.3 Other (please specify)

0

0

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.

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9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

246

9.2 Product manufacturing and operating costs

0

9.3 Advertising and marketing

0

9.4 Leased assets

0

9.5 Staff costs

208

9.6 Administration and corporate costs

170

9.7 Other (provide details if material)

0

9.8 Total estimated cash outflows

624

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

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: Company Secretary

Date: 31 October 2017

Print name: P Collinson

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.