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Wednesday 1 November 2017

**ASX Announcement – GENERA BIOSYSTEMS LIMITED (ASX: GBI)
QUARTERLY CASH FLOW & BUSINESS UPDATE**

Genera Biosystems Limited (**‘Genera’**) is pleased to provide an update to accompany the attached Appendix 4C Quarterly Cash Flow report for the period ended 30 September 2017.

The Company held cash at 30 September of \$50k representing a net decrease of \$170k during the quarter. Operating cash outflow for the quarter was \$149k. At the end of the quarter the Company had \$110k of available headroom under its Mezzanine Loan Facility supported by the CEO and other major shareholders which continued to be drawn upon as required.

Genera delivered a record quarter of cash receipts from customers of \$435k. Receipts were up 54.3% on the previous corresponding period and 87.5% higher on the June 2017 quarter as Australian flu season infection levels experienced a significant increase versus previous years.

While the Company’s order levels from its major customer for its respiratory panel test continue to remain significantly above the volumes at this time last year, they are slowing versus volumes experienced in the September quarter as the influenza season subsides.

Genera expects to receive a FY2017 ATO tax incentive rebate of approximately \$500k during the month of November and with this receipt the Company is on track to deliver a positive normalised operating cash flow for the current half year period to 31 December 2017.

Genera sees considerable revenue growth opportunities going into calendar 2018 after the 1st December 2017 introduction of HPV testing as the primary screening test for the Australian National Cervical Cancer Screening Program. Alongside the materially increased HPV testing revenue opportunities, in early Q2 calendar 2018 Genera is planning the release of a Research Use Only (‘RUO’) version of its 8-plex Sexually Transmitted Infections (STI) panel.

Current Capital Raising and Global IVD Partnering

Working closely with its engaged US-based boutique investment bank, Genera has advanced its proposed US\$8.0m capital raising program during the quarter and currently anticipates completion of this significant funding tranche shortly after its announcement of a significant partnership with a global IVD company.

Holders of all Series B Convertible Notes on issue again agreed unanimously to further extend the term of the Notes by 3 months to 31 December 2017. Richard Hannebery, Genera Chief Executive Officer commented, “We again appreciate the collegiate support of our Noteholders in supporting the current execution plan to deliver an optimal outcome for all stakeholders.”

Genera continues to make strong progress in its prospective IVD partnering discussions and as disclosed previously in its Annual Report the company remains on track to announce the outcome of its well-considered process around the time of its 2017 AGM to be held on 27 November.

For further more detailed information on Genera's business activities shareholders should refer to the Review of Operations in its Annual Report released to ASX on 2 October.

The Company looks forward to providing a comprehensive update on all activities in its 27 November AGM presentation.

For further information please contact:

Mr Richard Hannebery
Chief Executive Officer
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www.generabiosystems.com.au

About Genera Biosystems : Genera Biosystems Limited ("GBI") is an Australian Securities Exchange listed molecular diagnostics company, which develops, manufactures and distributes advanced PCR molecular diagnostics tests. Genera has successfully developed two products to date, PapType® and RTI-Plex™, both of which are CE-IVD approved with several additional products in the company's development pipeline.

Genera's single-well high multiplex AmpaSand® testing platform can detect up to 125 target analytes in a single-well of a reaction plate. Unlike traditional real-time PCR approaches, AmpaSand single-well multiplex tests when run on a seamlessly integrated flow cytometry and liquid handling system can provide unparalleled throughput capability and cost efficiency for high volume pathology laboratories qualitative molecular testing needs.

Genera manufactures products in its Australian Therapeutics Goods Administration certified manufacturing facility in Scoresby, Victoria, Australia.

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

Genera Biosystems Limited

ABN

69 098 663 837

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	435	435
1.2 Payments for		
(a) research and development	(194)	(194)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(237)	(237)
(f) administration and corporate costs	(153)	(153)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives (R&D)	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(149)	(149)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(20)	(20)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(d) intellectual property	(58)	(58)
(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)	-	-
2.6 Net cash from / (used in) investing activities	(78)	(78)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	57	57
3.6 Repayment of borrowings	-	-
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	57	57

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	220	220
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(149)	(149)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(78)	(78)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	57	57

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	50	50

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	50	220
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	50	220

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
45
-

Salary, superannuation and directors fees related to directors.

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

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	1,390	1,390
8.2 Credit standby arrangements	-	-
8.3 Other (Convertible Note)	3,000	3,000
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.		

Loan facilities include Convertible Notes and Mezzanine Loan.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	150
9.2 Product manufacturing and operating costs	50
9.3 Advertising and marketing	25
9.4 Leased assets	25
9.5 Staff costs	300
9.6 Administration and corporate costs	100
9.7 Other (Redemption of Series B Notes)	3,000
9.8 Total estimated cash outflows	3,650

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: 
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(Non-Executive Chairman)

Date: 31 October 2017

Print name: Lou Panaccio

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.