

QUARTERLY BUSINESS UPDATE

Perth, Australia, 27 July 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 fourth quarter to 30 June 2017.

Financial update

The closing cash balance at the end of the fourth quarter on 30/6/17 was \$645K. The net operating cash outflow for the quarter was \$743K, up from the previous quarter (\$534K in 3Q2017), comprising Research and Development (R&D) expenditure of \$368K on its BARD1 pipeline, patent costs of \$7K, and staff, corporate and administration costs of \$369K.

Research and Development (R&D) update

BARD1's R&D activities during the quarter were primarily focused on analysis and review of its latest diagnostic studies, and planning of new studies to further evaluate, develop and validate the BARD1 Tests for lung cancer and ovarian cancer.

Lung Cancer Program

BARD1 LSL initiated a retrospective Lung Cancer Study in Nov-16 to evaluate the performance of the multi-analyte BARD1 Lung Cancer Test on the Meso Scale Diagnostics (MSD) instrument platform in 638 samples of lung cancer and controls (LC600 study). Initial external expert review of 480-samples showed an AUC (area under the curve) 0.82 for the best-fitted model and a predicted average AUC 0.725 in the test sets used to evaluate the model (see ASX announcement of 15/5/17). Technical review showed that application of a new unoptimised assay method, unbalanced sample composition, and a possible gender influence contributed to the lower performance in LC600 study (see ASX announcement of 28/6/17). Further statistical analysis in 628-samples showed better accuracy with an AUC 0.85 for the best fitted model and a predicted average AUC 0.80 in the test sets. Additionally, gender-specific algorithms showed higher accuracy of AUC 0.91 in males and AUC 0.89 in females.

A retrospective lung cancer study is planned to commence in Sep-17 to improve the accuracy of the multianalyte BARD1 LC Test for detection of lung cancer using the original assay method applied in the POC study.

Ovarian Cancer Program

BARD1 LSL initiated a retrospective Ovarian Cancer Study in Jan-17 to evaluate the performance of the multi-analyte BARD1 OC Test on the MSD instrument platform in 348 female samples of ovarian cancer and controls (OC300 study). The study showed high accuracy of the best fitted model generated on 348 samples, achieving an AUC 0.92, sensitivity 90%, and specificity 87% (see ASX announcement of 23/3/17). Additionally, the predictive performance of the model applied in test sets showed an average AUC 0.85, sensitivity 78%, and specificity 78% (see ASX announcement of 28/6/17).

A retrospective ovarian cancer study is planned to commence in Sep-17 to further evaluate the accuracy of the multianalyte BARD1 OC Test for detection of ovarian cancer using the best set of 20 peptides (analytes) identified from previous studies.

Cancer Vaccine Program

BARD1 LSL entered into a collaboration with the Institute for Respiratory Health (IRH) to evaluate a potential BARD1 cancer vaccine for the prevention and/or treatment of cancer in animal models (see ASX announcement of 5/4/17). Research commenced to identify high BARD1 expressing tumour cell lines for implantation in animals, and an Animal Ethics Committee application is in preparation for the planned

animal studies. The second stage of the study will evaluate the in vivo effectiveness of the BARD1 vaccine formulations for reducing tumour growth in animal studies.

Capital Raising initiatives

Post 30 June 2017, BARD1 LSL successfully completed a capital raising, issuing 137,165,811 shares at an issue price of A\$0.008 per share raising A\$1.097 million (before costs) (see ASX announcements of 5/7/17 and 11/7/17).

The Company is currently conducting a Share Purchase Plan (SPP) for eligible shareholders to raise up to a further A\$1.0 million at an issue price of A\$0.008 per share (see ASX announcement 5/7/17). The SPP record date was 4/7/17, opened on 12/7/17, and closes on 2/8/17.

Proceeds from the Placement and SPP will be used to fund ongoing research and development programs, commercial initiatives and for general working capital.

Advisory Board appointment

BARD1 LSL recently appointed leading respiratory physician Dr Samuel Janes MBBS MRCP MSc PhD as a member of the Company's Advisory Board (see ASX announcement 20/7/17). Dr Janes will provide independent scientific and clinical advice to guide BARD1's research, development and business programs.

Dr Janes is an outstanding clinical scientist, respiratory physician, and a Wellcome Senior Fellow in Clinical Science, Professor of Respiratory Medicine and Head of Respiratory Research Department at the University College London Hospitals (UCLH). Dr Janes is recognised internationally for his research into lung cancer, mesothelioma, bronchoscopy and early lung cancer detection. He is a lead investigator in several diagnostic and therapeutic clinical studies in lung cancer, and is strongly committed to facilitating the translation of laboratory findings into the clinic.

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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.

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 JUNE 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) research and development	(368)	(1,125)
(b) patent fees	(7)	(105)
(c) advertising and marketing	0	0
(d) leased assets	0	0
(e) staff costs	(263)	(661)
(f) administration and corporate costs	(106)	(553)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	1	5
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	(743)	(2,439)
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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	0	0
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	0	0
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	0	0

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	1,388	3,092
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(743)	(2,439)
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)	0	0
4.5	Effect of movement in exchange rates on cash held	0	(8)
4.6	Cash and cash equivalents at end of quarter	645	645

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	645	1,388
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)	645	1,388

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	93
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	

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	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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	290
9.2 Product manufacturing and operating costs	0
9.3 Advertising and marketing	0
9.4 Leased assets	0
9.5 Staff costs	203
9.6 Administration and corporate costs	176
9.7 Other (provide details if material)	0
9.8 Total estimated cash outflows	669

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: 27 July 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.