

QUARTERLY BUSINESS UPDATE

Perth, Australia, 25 January 2019: BARD1 Life Sciences Limited (**BARD1 LSL** or the **Company**) (ASX:BD1), a medical technology company developing non-invasive cancer diagnostics, today released its Appendix 4C and quarterly business update for the quarter to 31 December 2018.

- **Cash position:** \$3.7m as at 31/12/18.
- **New BARD1-Breast Cancer Test:** World-first BARD1-Breast cancer test shows high accuracy for detection of breast cancer with 70% sensitivity and 88% specificity.
- **Assay development program:** Feasibility phase successfully completed and development phase underway
- **New patent granted:** Chinese divisional patent granted providing additional protection for BARD1-Lung.
- **Successful Capital Raising:** \$3.315m raised via entitlement issue and shortfall offer.

Financial update

The closing cash balance at the end of the second quarter on 31/12/18 was \$3.708m. The net operating cash outflow for the quarter was \$542k, up from the previous quarter (4Q FY2019: \$304k) and comprising Research and Development (R&D) expenditure of \$131k on the BARD1 pipeline, patent expenses of \$49k, and staff, corporate and administration costs of \$362k. The increase in administration costs was due to costs associated with the Company's capital raising exercise.

Research and Development (R&D) update

BARD1's R&D activities focused on completing case-control studies for its new BARD1-Breast cancer tests and providing technical support to the Thermo Fisher assay development program.

Breast Cancer Dx Program

BARD1 completed the BC-001 study to evaluate the accuracy of a new BARD1-Breast cancer test for detection of breast cancer. On 23/10/2018 BARD1 announced the results for its world-first BARD1-Breast cancer test showing high diagnostic accuracy for detection of breast cancer across common subtypes and all stages with AUC 0.86, 70% sensitivity and 88% specificity. The study was validated in an independent sample set of benign breast lesions that showed that the BARD1-Breast cancer test accurately distinguished malignant breast cancer from benign lesions.

There is currently no blood test available for screening or early detection of breast cancer. BARD1 plans to develop BARD1-Breast as a screening test for early detection of breast cancer in average-risk asymptomatic women to detect cancer early, increase screening uptake, improve survival and reduce healthcare costs.

The new BARD1-Breast cancer test will use the same BARD1 autoantibody test methodology and Luminex instrumentation as the BARD1-Ovarian cancer test enabling fast development and parallel clinical testing.

Assay Development Program

The Assay Development program with our contract development partner Thermo Fisher Scientific to transfer and develop the research BARD1 assay using ProcartaPlex[®] Technology for performance on Luminex[®] instrumentation progressed during the quarter. The feasibility phase was successfully completed in December 2018 and the program has now entered the development phase.

The initial work is to transfer and optimise the BARD1-Ovarian cancer test on the Luminex platform with expected completion in 1H19. If successful, further work is then expected to be undertaken to optimise the BARD1-Breast cancer test on the same platform in readiness to commence clinical studies for both BARD1-Breast and BARD1-Ovarian to evaluate clinical performance in 2H19, followed by expected launch as Laboratory Developed Tests (LDTs) in 2021.

Ovarian Cancer Dx Program

No new studies were conducted for BARD1-Ovarian during the quarter.

Lung Cancer Dx Program

No new studies were conducted for BARD1-Lung during the quarter.

Cancer Vaccine Program

The Cancer Vaccine collaboration with the Institute for Respiratory Health (IRH) progressed during the quarter. The cancer vaccine program is exploratory research to evaluate BARD1 peptide vaccine formulations for cancer prevention and/or treatment in murine cancer models to assess *in vivo* effectiveness for reducing tumour size, inhibiting tumour growth and/or inducing an effective immune response.

Encouraging initial results showing delayed tumour growth in a malignant mesothelioma mouse model were reported in the Company Presentation released on 19/11/18. However, the cancer vaccine studies were ongoing and not completed in December 2018 as previously expected, due to staff unavailability and experimental delays during the holiday period. BARD1 will update the market on the final results of the cancer vaccine studies upon completion.

Intellectual Property (IP) Portfolio update

Chinese Divisional Patent No 201610347489.9 titled "BARD1 isoforms in lung and colorectal cancer and use thereof" was granted by the China National Intellectual Property Administration (CNIPA). This patent provides additional coverage over the parent case for specific BARD1 isoforms, various methods and kits for use in the detection of the specific BARD1 isoforms, and methods for treatment or prevention of lung and colorectal cancer. Importantly, this patent provides additional IP protection for the BARD1-Lung cancer test (see ASX announcement 24/10/18).

Corporate update

During the quarter BARD1 continued to explore various corporate and fundraising opportunities to build the Company and advance development and commercialisation of its diagnostic assets to grow shareholder value.

Annual General Meeting

The Company held its AGM on 30 November 2018 and all resolutions were carried.

Capital Raising

During the quarter, BARD1 LSL issued 165,732,775 New Shares at an issue price of \$0.02 per share by way of a non-renounceable Entitlement Issue raising \$3.315 million before costs. A total of 59,141,274 New Shares were issued to existing Shareholders who participated in the Entitlement Issue, with all BARD1 directors taking up some or all of their rights. The remaining 106,591,501 Shortfall Shares were issued to sophisticated and professional investors.

Funds raised from the Entitlement Issue are being used to advance development of the BARD1 diagnostics pipeline, ongoing research activities, commercial initiatives and for general working capital purposes.

Outlook

BARD1 is now in a strong position with funds of \$3.7 million, an enviable diagnostics pipeline of three BARD1 autoantibody tests in development for breast, ovarian and lung cancers, and a clear focus on entering clinical development and furthering commercialization of its BARD1-Ovarian and BARD1-Breast cancer tests in 2019.

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ABOUT BARD1 LIFE SCIENCES LTD

BARD1 Life Sciences Ltd (ASX:BD1) is an Australian medical technology company focused on developing and commercialising non-invasive diagnostic tests for early detection of cancer. BARD1 owns a proprietary tumour marker platform with potential diagnostic and therapeutic applications across multiple cancers. The pipeline includes BARD1 autoantibody tests in development for early detection of breast, ovarian and lung cancers. Additional diagnostic projects will be evaluated for other cancers. The company also has a cancer vaccine project at research-stage for treatment of cancer. BARD1 is committed to transforming the early detection of cancer to save lives. For more information on BARD1, see www.bard1.com.

DISCLAIMER

This announcement contains “forward-looking statements” and “forward-looking information”, including statements and forecasts relating to the Company. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “is expecting”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management’s expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

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")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) research and development	(131)	(163)
(b) patent fees	(49)	(79)
(c) advertising and marketing	0	0
(d) leased assets	0	0
(e) staff costs <i>(increase due to payout of CEO and Company Secretary annual leave entitlements)</i>	(213)	(338)
(f) administration and corporate costs	(150)	(268)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	1	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 (ATO gst Refund)	0	0
1.9 Net cash from / (used in) operating activities	(542)	(846)
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

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(e) other non-current assets	0	0
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	3,315	3,315
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	(195)	(195)
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 R&D Development Grants		
3.10 Net cash from / (used in) financing activities	3,120	3,120

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	1,130	1,434
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(542)	(846)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from capital raising (item 3.10 above)	3,120	3,120
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	3,708	3,708

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	3,708	1,130
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)	3,708	1,130

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	60
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	200
9.2 Product manufacturing and operating costs	0
9.3 Advertising and marketing	0
9.4 Leased assets	0
9.5 Staff costs	191
9.6 Administration and corporate costs	150
9.7 Other (provide details if material)	0
9.8 Total estimated cash outflows	541

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: 25 January 2019

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.