APPENDIX 4C & QUARTERLY BUSINESS UPDATE
Period Ended 31 March 2023

- **Progress on EXO-NET® commercialisation with Academia and Industry**
- **INOVIQ presented on EXO-NET and exosomes to the Preterm Birth International Collaborative #PREBIC Australasian Workshop, held on 21 March 2023 in Brisbane**
- **SubB2M CA15-3 breast cancer test outperforms a leading commercially available CA15-3 tumour marker test**
- **SubB2M breast cancer and ovarian cancer tests remain on-track to be launch-ready by end of H1 FY24**
- **Chief Scientific Officer, Professor Greg Rice, awarded the prestigious Joan Hunt IFPA Senior Award in Placentology for 2023**
- **Cash balance of $8.83m as at 31 March 2023, with final payment for settlement of legal proceedings now complete**

Melbourne, Australia, 28 April 2023: INOVIQ Limited (ASX:IIQ) (**INOVIQ** or the **Company**) today released its Appendix 4C and Quarterly Business Update for the quarter ended 31 March 2023 (Q3 FY23).

1 COMMERCIAL UPDATE

1.1 EXO-NET® RUO EXOSOME CAPTURE TOOLS

EXO-NET RUO is a pan-exosome capture tool for the isolation of exosomes from body fluids including plasma, urine and saliva. EXO-NET offers speed, efficiency and reproducibility advantages over traditional exosome isolation methods.

INOVIQ continues to engage with researchers in Academia and Industry to promote awareness about EXO-NET, its benefits and applications for exosome isolation, biomarker discovery and diagnostic development.

The EXO-NET sales team attended several trade shows in the US to discuss the speed, efficiency and reproducibility of using EXO-NET for exosome isolation from various biofluids including plasma, saliva and cell culture media. Samples of EXO-NET were provided to various researchers for evaluation in their research projects. During the quarter, INOVIQ received its first orders for EXO-NET and established its first contract research agreement. These cash receipts will be recorded in the June quarter.

The Company also progressed discussions with industry participants regarding use of EXO-NET for enabling clinical trial assay and companion diagnostic applications for treatment selection and monitoring treatment response.

As part of INOVIQ's commercial strategy to increase awareness of EXO-NET for isolation of exosomes and biomarker discovery in obstetrical medicine and diagnostics, CSO Dr Gregory Rice presented at the Preterm Birth International Collaborative Australasian Workshop, which was held in Brisbane on 21 March 2023. A copy of the presentation titled "*Enabling EV-based Biomarker Discovery and Diagnostics*" is available here: https://www.inoviq.com/site/investors/presentations.

As announced (ASX: 19/4/23), INOVIQ will be attending, exhibiting and presenting at the International Society for Extracellular Vesicles (ISEV) meeting, being held 17-21 May 2023 in Seattle USA. INOVIQ and its collaborators, including the University of Queensland and Johns Hopkins University, will deliver 4 poster and 1 oral presentation at the meeting covering new data on EXO-NET analytical validation studies in plasma and saliva, comparison studies to other methods, use in development of an ovarian cancer diagnostic, and initial data on its TEXO-NET product for isolation of tumour-derived exosomes.

The Company also published updated EXO-NET technical support materials including Instructions for Use, Application Notes for exosome isolation in saliva and cell culture media, and a training video on the 15-minute EXO-NET isolation process. These technical resources are available here: https://www.inoviq.com/site/products/exo-net-pan-exosome/resources.

1.2 HTERT ICC TEST

The hTERT test is an immunocytochemistry (ICC) assay registered for the detection of human telomerase reverse transcriptase (hTERT) in cytopathology samples. It is used as an adjunct to urine cytology to help resolve indeterminate cytology results and identify patients with increased risk of bladder cancer.

As previously announced (23 November 2022), INOVIQ reverted to a direct distribution model for its hTERT test to laboratory customers in the US from 1 January 2023. There was a smooth transition of customers to INOVIQ, with sales continuing at a steady pace and the Company now benefiting from improved product revenues and gross margins. During the quarter, cash receipts of $48k were received from hTERT sales.

2 RESEARCH AND DEVELOPMENT (R&D) PROGRESS

2.1 SUBB2M PROGRAM

SubB2M is an engineered protein that specifically detects the pan-cancer biomarker Neu5Gc that is found at elevated levels in multiple human cancers. INOVIQ is developing SubB2M immunoassays for improved monitoring of breast and ovarian cancers, and is evaluating a SubB2M SPR test for detection of Neu5Gc in a general health panel.

SubB2M immunoassays

The SubB2M CA15-3 Breast Cancer test and CA125 Ovarian Cancer test (both immunoassays) remain on-track to be launch-ready as Laboratory Developed Tests by a partner at the end of calendar year 2023. The CA15-3 test is a blood test commonly used to monitor breast cancer treatment response and to disease recurrence.

On 8 February 2023, INOVIQ announced positive results from its SubB2M CA15-3 Breast Cancer test. INOVIQ's CA15-3 test outperformed a leading, commercially available CA15-3 tumour marker test based on data from a 94-serum retrospective case-control study. INOVIQ's SubB2M CA15-3 test clearly discriminated between breast cancer and healthy controls across all cancer stages, correctly identifying 73% (69/94) of all samples tested.

Major upcoming milestones for SubB2M diagnostics include:

- *Breast Cancer clinical validation study:* Complete planned 500-sample case-control study of SubB2M CA15-3 test across all-stages of breast cancer, with data readout expected end H2 FY23.
- *Breast Cancer monitoring study:* Complete planned 120-sample case-control study to detect breast cancer recurrence, with data readout expected in Q1 FY24.

- *Ovarian Cancer clinical validation study:* Complete planned case-control study of SubB2M-CA125 test to detect across all-stages of ovarian cancer, with data readout expected end Q2 FY24.

SubB2M SPR test

The contract research agreement with Canadian biotechnology company, Nicoya Lifesciences Inc, to transfer, develop and evaluate a SubB2M-based Surface Plasmon Resonance (SPR) test on the Alto™ Digital SPR instrument progressed during the quarter. The initial work program to demonstrate effective discrimination between cancer and cancer-free blood samples on the Alto instrument is on-track for completion by end May 2023.

2.2 EXO-NET PROGRAM

Exosomes are small extracellular vesicles (EVs) released by cells that contain DNA, RNAs, proteins and lipids. These exosomal biomarkers have important applications in the research, diagnosis, and treatment of cancer, cardiometabolic, inflammatory, neurodegenerative, and other diseases. EXO-NET is product that allows the rapid isolation of purified exosomes from blood, and development of more effective diagnostics.

EXO-NET portfolio expansion

Progress was made on INOVIQ's research programs to develop new EXO-NET products including: 1) **TEXO-NET** for isolation of tumour-derived exosomes, and 2) **NEURO-NET** for isolation of brain-derived exosomes. Initial data are promising, with an abstract accepted for a poster presentation of new TEXO-NET data at the ISEV2023 meeting. NEURO-NET data is being prepared for submission of a new patent application before publication of data to the scientific community. These products are expected to underpin future partnering opportunities for clinical diagnostics, clinical trial assays and companion diagnostics for Oncology and Neurology indications.

Development of our high-throughput EXO-NET isolation system to enable processing of over 1,000 samples per day in a clinical laboratory was also advanced. INOVIQ is upgrading its laboratory capabilities to offer high-throughput exosome isolation, biomarker discovery and diagnostics development services to Academic and Industry customers. This is expected to provide potential EXO-NET service revenue to the Company, and potentially lead to future partnering agreements for EXO-NET enabled diagnostics.

Exosome diagnostics

INOVIQ's **EXO-Ovarian Cancer Test** is in development for early detection of ovarian cancer in asymptomatic women. EXO-NET is being used to enable the biomarker discovery and translation of this world-first exosomal test from *bench-to-clinic* to help save women's lives. A patent application was recently submitted by the University of Queensland covering the exosomal biomarkers underpinning this novel multi-marker test. INOVIQ has secured the option for an exclusive license to develop and commercialise this much needed OC screening test worldwide[1]. The EXO-OC test has been awarded a $2.7m MRFF[2] grant due to the significant unmet need for earlier detection of ovarian cancer.

Major upcoming milestones for the EXO-Ovarian Cancer test include:

- *Ovarian Cancer analytical validation study:* Study underway to evaluate equivalence of the EXO-Ovarian Cancer test in 250-plasma samples compared to 250-serum samples from the same cohort of patients to finalise the biomarker panel, with data expected to readout in H2 FY23.

[1] *The University of Queensland (UQ) (ASX: 1/4/22)*
[2] *Medical Research Future Fund (MRFF)*

- *Ovarian Cancer clinical validation study:* Planned 3,000-sample[3] all-stage case-control study of EXO-OC test in ovarian cancer, with data expected to be reported on this important study by end H1 FY24.

2.3 BARD1 PROGRAM

The BARD1 technology is a biomarker platform that includes potential BARD1 markers with potential application in the earlier detection of breast, ovarian and lung cancers. Splice variants of BARD1 have been associated with cancer formation, progression, and poor prognosis.

As announced on 28 November 2022, the BARD1 Lung Cancer Test intellectual property has been transferred to the founders Dr Irmgard Irminger-Finger and Tony Walker via its shareholding in BARD1AG SA under the Settlement Agreement related to the BARD1 performance shares. As part of the agreement, A$300k was agreed to be spent on the BARD1 Lung Cancer Test development program over the next 2-years, and INOVIQ may receive future royalties of up to 10% of future sales. Additionally, INOVIQ may apply learnings from this non-dilutive external development of the BARD1 autoantibody technology for the BARD1 Lung Cancer Test to its fully owned BARD1 autoantibody intellectual property for potential Breast Cancer and Ovarian Cancer tests.

3 CORPORATE UPDATE

Awards

Post quarter end (13 April 2023), INOVIQ was pleased to share the news that Chief Scientific Officer, Professor Greg Rice, has been awarded the prestigious Joan Hunt IFPA Senior Award in Placentology for 2023.

This award represents the highest distinction of the international placental research community, and recognises the work of established senior scientists, Principal Investigators and clinicians who have made a significant contribution to the understanding of placental and reproductive functions in general.

Strengthened capabilities to take advantage of high-growth exosome market

During the quarter, INOVIQ invested in its people across exosome science, product development and commercial, as well as in state-of-the art equipment to support its in-house and partnered exosome-based product development for research, diagnostic and therapeutic applications.

4 FINANCIAL UPDATE

INOVIQ held $8.83m in cash as at 31 March 2023, to support its strategic and operational requirements.

Operating cash receipts during the quarter included:

- $48k of receipts from customers during the quarter (December 2022 quarter - $118k); and
- Received $97k of bank interest (December 2022 quarter - $74k), the increase attributed to rising interest rates.

Net cash used in operating activities for the quarter was $3.04m with the main outflows being:

- Research and Development (R&D) expenditure of $953k (December 2022 quarter - $674k), the increase associated with progress on INOVIQ's SubB2M Breast Cancer and EXO-NET Ovarian Cancer studies;

[3] Samples to be provided from UKCTOCS study, the world's largest ovarian cancer serum biobank

- Non-R&D staff costs of $336k (December 2022 quarter - $489k), reduction associated with employee entitlement payments in the prior quarter; and
- Administration, corporate and leased asset costs of $1,814k (December 2022 quarter - $1,370k, the increase from the prior quarter attributed to the $1m lump sum payment associated with the legal settlement that was paid in January 2023. All related legal and advisor fees associated with the proceedings have been settled during the March quarter and therefore operating cash outflows are expected to be significantly lower in Q4 FY23. If not for the once off $1m settlement payment, estimated quarters of funding available as calculated within section 8 of the attached Appendix 4C, would increase from 2.9 to 4.3.

Payments in section 6.1 of the accompanying Appendix 4C relate to Director fees and superannuation paid during the quarter.

- ENDS -

Authorised by the Company Secretary, Mark Edwards.

COMPANY CONTACTS

Dr Leearne Hinch
Chief Executive Officer
E lhinch@inoviq.com
M +61 400 414 416

Dr Geoff Cumming
Non-executive Chairman
E geoff.cumming@inoviq.com
M +61 417 203 021

Jane Lowe
IR Department
E jane.lowe@irdepartment.com.au
M +61 411 117 774

ABOUT INOVIQ LTD

INOVIQ Ltd is developing and commercialising next-generation precision diagnostics and exosome solutions to transform the diagnosis and treatment of cancer and other diseases. The Company has commercialised the EXO-NET pan-exosome capture tool for research purposes and the hTERT test as an adjunct to urine cytology testing for bladder cancer. Our cancer diagnostic pipeline includes blood tests in development for earlier detection and monitoring of ovarian, breast and other cancers. For more information on INOVIQ, see www.inoviq.com.

FORWARD LOOKING STATEMENTS

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may', 'should', 'expect', 'anticipate', 'estimate', 'scheduled' or 'continue' or the negative version of them or comparable terminology. Any forecasts or other forward-looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. The Company does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
INOVIQ LIMITED	
ABN	**Quarter ended ("current quarter")**
58 009 070 384	31 March 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	48	253
1.2	Payments for		
	(a) research and development (*including allocated staff costs)*	(953)	(2,493)
	(b) advertising and marketing	(61)	(187)
	(c) product manufacturing and operating costs	(12)	(43)
	(d) staff costs (*other than R&D staff)*	(336)	(1,260)
	(e) administration and corporate costs	(1,766)	(3,714)
	(f) leased assets	(48)	(192)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	97	222
1.5	Interest and other costs of finance paid	(12)	(46)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	890
1.8	Other (*BTB Grant)*	-	157
1.9	**Net cash from / (used in) operating activities**	**(3,043)**	**(6,413)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	(57)	(139)
	(j) investments	-	-
	(k) intellectual property	-	(18)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
	(l) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	**Net cash from / (used in) investing activities**	**(57)**	**(157)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
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**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	11,925	15,395
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,043)	(6,413)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(57)	(157)
4.4	Net cash from capital raising (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	2	2
4.6	**Cash and cash equivalents at end of period**	**8,827**	**8,827**

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	806	1,404
5.2	Call deposits	8,021	10,521
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)**	**8,827**	**11,925**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	48
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Payments in 6.1 relate to Director fees and superannuation paid during the quarter.

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	20	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	20

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Relates to the corporate credit card facility with the National Australia Bank.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(3,043)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	8,827
8.3	Unused finance facilities available at quarter end (Item 7.5)	20
8.4	Total available funding (Item 8.2 + Item 8.3)	8,847
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	2.9

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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.

Date: 28 April 2023

Authorised by: By the Board of Directors

Authorised for release by Company Secretary – Mark Edwards
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow 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 cash flow 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.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.