

ASX ANNOUNCEMENT

NOTES TO APPENDIX 4C

SYDNEY, Wednesday, 28 January 2015: Cellmid Limited (ASX: CDY) provides the following comments in relation to the attached Appendix 4C form:

Capital Raising

The Company completed a \$1.3 million private placement in December 2014 providing it sufficient capital to advance its oncology antibody program towards a pre-IND meeting with the FDA (Food and Drug Administration). Funds will be deployed to carry out single dose toxicology, tissue cross-reactivity and pharmacokinetic studies and engage regulatory consultants.

Research and development

The Company received \$950,000 under the Federal Government's R&D Tax Refund program during the quarter, which related to relevant expenditure incurred during the 2014 financial year. Cash outflow relating to research and development was steady at \$567,000 during the quarter.

Consumer health division

The consumer health business performed well during the quarter delivering sales of \$305,000 (up 60% compared with the previous period). This result is particularly encouraging as the Company's product lines and distribution channels have been limited during the quarter; some of the existing product range in Japan was phased out and a new product launch delayed from November 2014 until February 2015.

With the appointment of senior representation into pharmacies in Australia, the channel is undergoing significant expansion with access to new stores. Additional product lines are planned for April 2015.

The Company continues to actively pursue distribution arrangements in other regions; in particular marketing the new, patented formulations.

End

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Cellmid Limited

ABN

69 111 304 119

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months \$A'000
1.1 Receipts from customers	308	552
1.2 Payments for (a) staff costs	(518)	(970)
(b) advertising and marketing	(24)	(76)
(c) research and development	(567)	(1123)
(d) leased assets	0	0
(e) other working capital	(250)	(374)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	7	17
1.5 Interest and other costs of finance paid	(2)	(4)
1.6 Income taxes refunded (paid)	996	996
1.7 Other (Export Market Development Grant)	0	0
Net operating cash flows	(50)	(982)

+ See chapter 19 for defined terms.

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	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(50)	(982)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	0	0
(b) equity investments	0	0
(c) intellectual property	0	0
(d) physical non-current assets	(5)	(6)
(e) other non-current assets	0	0
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	0	0
(b) equity investments	0	0
(c) intellectual property	0	0
(d) physical non-current assets	0	0
(e) other non-current assets	0	0
1.11 Loans to other entities	0	0
1.12 Loans repaid by other entities	0	0
1.13 Other (provide details if material)	0	0
Net investing cash flows	(5)	(6)
1.14 Total operating and investing cash flows	(55)	(988)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1177	1177
1.16 Proceeds from sale of forfeited shares	0	0
1.17 Proceeds from borrowings	0	0
1.18 Repayment of borrowings	0	0
1.19 Dividends paid	0	0
1.20 Other (provide details if material)	0	0
Net financing cash flows	1177	1177
Net increase (decrease) in cash held	1122	189
1.21 Cash at beginning of quarter/year to date	1571	2,495
1.22 Exchange rate adjustments to all items up to 1.20	(9)	0
1.23 Cash at end of quarter	2684	2684

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	153
1.25	Aggregate amount of loans to the parties included in item 1.11	0
1.26	Explanation necessary for an understanding of the transactions	
	The amount disclosed is all payments made to directors and related parties in the quarter. The full amount is included in the total at 1.2(a).	

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	n/a
2.2	Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest	NIL

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	n/a	n/a
3.2	Credit standby arrangements	n/a	n/a

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	2684	1571
4.2 Deposits at call	0	0
4.3 Bank overdraft	0	0
4.4 Other (provide details)	0	0
Total: cash at end of quarter (item 1.23)	2684	1571

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	n/a	n/a
5.2 Place of incorporation or registration	n/a	n/a
5.3 Consideration for acquisition or disposal	n/a	n/a
5.4 Total net assets	n/a	n/a
5.5 Nature of business	n/a	n/a

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 28/01/2015
 CEO

Print name: Maria Halasz

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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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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