

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

Regeneus Ltd

ABN

13 127 035 358

Quarter ended ("current quarter")

30th June 2014

Consolidated statement of cash flows – refer to notes at the end of this report.

Cash flows related to operating activities -	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	436	1738
1.2 Payments for (a) staff costs	(1,493)	(5,747)
(b) advertising and marketing	(158)	(642)
(c) research and development	(543)	(2,246)
(d) leased assets	-	-
(e) other working capital*	601	(1,939)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	120	287
1.5 Interest and other costs of finance paid	-	(24)
1.6 Income taxes received *	-	2,327
1.7 Other (provide details if material) -	-	-
Net operating cash flows	(1,037)	(6,246)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(1,037)	(6,246)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets*	(1,015)	(1,170)
(e) other non-current assets -		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material) - deposits - see below.	97	(696)
	(918)	(1,866)
Net investing cash flows		
1.14 Total operating and investing cash flows	(1,955)	(8,112)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	7	10,632
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings - convertible notes now capitalised.	-	300
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material) - final IPO costs	-	(722)
Net financing cash flows	7	10,210
Net increase (decrease) in cash held	(1,948)	2,098
1.21 Cash at beginning of quarter/year to date	4,456	410
1.22 Exchange rate adjustments		-
1.23 Cash at end of quarter	2,508	2,508

+ See chapter 19 for defined terms.

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	218
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

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

During the quarter, the accounting treatment of fit out of the new premises, was changed from a rental to a finance lease. The fit out cost was capitalised, and the liability for lease commitments was accounted for. The lease is for 2 years, from January 2014, secured in part by a cash deposit that is refunded in part at agreed dates, as the liability decreases.

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

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		
3.2	Credit standby arrangements		

+ See chapter 19 for defined terms.

Appendix 4C
 Quarterly report for entities
 admitted on the basis of commitments

Reconciliation of cash

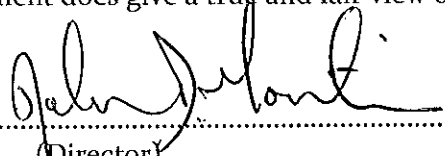
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	2,508	4,456
4.2 Deposits at call	-	-
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	2,508	4,456

Acquisitions and disposals of business entities

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

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: 31st July 2014
 (Director)

Print name: John Martin

+ See chapter 19 for defined terms.

Notes for the Current Quarter and YTD, to be read in conjunction with this report and the update announcement lodged with the ASX dated 31st July 2014.

Current Quarter

- 1 – Item 1.2.2 – main increases in working capital comprises the following:
- lease finance for the fit out of the new premises, now capitalised.
 - increase in prepaid income for cryopreservation procedures.

1 – Item 1.9.d – increased due to the capitalisation of the fit out.

Year to Date

2 – Item 1.2a – staff costs includes one off bonus payments paid to senior staff for the successful IPO, and part of the outstanding, prior years directors fees that were detailed on page 99 of the IPO Prospectus, dated 5th August 2013. Total \$ 410k paid in October 13.

3 – Item 1.6 - R and D Tax Concession FY 2014 – the company expects to receive a payment, in Q4 this year of \$3.3 mill. (FY 13 - \$2.3mill).

4 – Item 1.13 – Other – this includes, refund of deposit for the lease of the old premises, plus deposits have been paid to secure the lease on the new premises \$220k, and for the fit out \$480k. The later is to be refunded between January 2015 and January 2016 as part of the 2 year finance lease agreement.

+ See chapter 19 for defined terms.