

ASX RELEASE

Appendix 4C and Report on Quarterly Activities

Melbourne, Australia, 30 January 2020: [Sienna Cancer Diagnostics Ltd \(ASX:SDX\)](#) (“Sienna” or “the Company”), releases its cash flow report for the December 2019 quarter (Appendix 4C) and provides an update on the key areas of activity during the quarter ended 31 December 2019.

Principal Activities

Sienna is a medical technology company that develops and commercialises diagnostic tests to assist in the early and accurate diagnosis of cancer, allowing improved treatment and patient outcomes. Sienna’s first product, a test that aids in the diagnosis of bladder cancer, hTERT, has been launched and is being commercialised through a growing network of distribution partners globally.

In April 2019, Sienna entered the global liquid biopsy market via the strategic acquisition of a “Molecular Net” technology called SIEN-NET™. The first commercial embodiment of SIEN-NET is EXO-NET™, which has been specifically designed to capture and enrich a patient sample for cancer-associated exosomes. According to a new report by Grand View Research Inc, the global market for cancer diagnostics based on isolating and testing exosomes is expected to reach USD 2.28 billion by 2030. EXO-NET has the potential to become a key technology in this significant, growing market.

Key areas of activity during the second quarter of the 2020 financial year related to:

- Developing the SIEN-NET platform – Sienna announced two Australian collaborations: with Minomic International for the development of a novel liquid biopsy diagnostic test for pancreatic cancer, and with Vivazome for the development of an exosome-based therapy to treat Critical Limb Ischemia (CLI). Both projects have the potential to deliver significant value through licensing revenues, including possible upfront and milestone payments, in areas where there is an urgent need for medical innovation.
- Boosting the growth of hTERT revenue – In early January Sienna announced a number of strategies designed to drive hTERT revenue growth in 2020, including:
 - o Formation of a Clinical Advisory Board – Sienna today announced the first appointment to its Advisory Board, US based Urologist, Dr Raoul Concepcion. The Company expects to announce further appointments of members in the near future.
 - o Introducing an effective market-based pricing strategy – Sienna has been working with our US distributor on a more flexible approach to pricing for hTERT. The Company believes this will significantly improve adoption and sales of the test.
 - o Pursuing appointment of distributors in the key EU markets of Germany, France, Italy and Spain – Sienna has advanced discussions with a number of reputable distribution partners.
 - o Initiation of a hTERT Clinical Study in South Korea in collaboration with the Seoul National University Hospital – this study should be a key driver for product adoption in this important market.
- Raising further capital via a share placement to institutional and sophisticated investors and rights issue offer to existing shareholders. A total of \$1.9 million (before expenses) was raised during the quarter ended 31 December 2019. At the date of this announcement, a total of \$3.7 million (before expenses) has been raised.



Commentary on Appendix 4C Cash Flow Report

As reported when Sienna released the Appendix 4C for the quarter ended 30 September 2019, the Company had three payments from its U.S. distributor due to be received within the September quarter. The last payment was received one day after the end of the quarter, on 1 October 2019. This amount is included in the figure reported in 'Receipts from customers' for the quarter ended December 2019; therefore, the December quarter includes the receipt of four payments from Sienna's U.S. distributor.

The December 2019 report includes funds received from the recent capital raising initiatives - a Share Placement to institutional and sophisticated investors and a Rights Issue Offer. A total of 47,348,164 new ordinary shares were issued via the Placement, and the first tranche of shares, 7,616,789, via the Rights Issue Offer, raising \$1,923,773 before directly related expenses.

ENDS.

For Further Information, please contact:

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The release of this announcement was authorised by Tony Di Pietro, Company Secretary.

About Sienna Cancer Diagnostics

Sienna Cancer Diagnostics Ltd is an Australian medical technology company with operations in the United States, Europe, Asia, Latin America and Australia. Sienna's strengths lie in the identification, development and commercialisation of novel IVD technologies that satisfy an unmet clinical / market need. The Company has taken its first product, an IVD test for the biomarker hTERT, from research, through development, manufacturing, product registration, and market launch via a growing network of distribution partners.

The Company is focused on growing revenues from the existing product, increasing market access through new distribution partners, extending the applications for their hTERT test, and expanding their product offerings with the addition of new technologies into the product development pipeline.

Sienna's most recent technology acquisition was a unique technology for the capture and isolation of target analytes in liquid biopsy samples. The sample preparation technology, known as SIEN-NET™, can more accurately and rapidly prepare samples for the liquid biopsy testing of a range of clinically useful biomarkers including exosomes, lipids, proteins, and other molecular targets of interest.

Forward Looking Statements

This announcement may contain forward-looking statements, which include all matters that are not historical facts. These forward-looking statements speak only as at the date of this announcement. These statements, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by forward-looking statements. Without limitation, indications of, and guidance on, future earnings and financial position and performance are examples of forward-looking statements. No representation, warranty or assurance (express or implied) is given or made by Sienna that the forward-looking statements contained in this announcement are accurate, complete, reliable, or adequate or that they will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, each of Sienna, its related companies and their respective directors, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the forward-looking statements and exclude all liability whatsoever (including negligence) for any direct or indirect loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission therefrom.



Appendix 4C

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

Name of entity

Sienna Cancer Diagnostics Ltd

ABN

74 099 803 460

Quarter ended ("current quarter")

December 2019

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	214	321
1.2 Payments for		
(a) research and development	(80)	(124)
(b) product manufacturing and operating costs	(18)	(29)
(c) advertising and marketing	(27)	(78)
(d) leased assets		
(e) staff costs	(736)	(1,296)
(f) administration and corporate costs	(260)	(422)
1.3 Dividends received (see note 3)		
1.4 Interest received	16	38
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	12	417
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(879)	(1,173)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		(5)
(d) investments		
(e) intellectual property	(22)	(56)
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date - 6 months \$A'000
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 ((Intellectual property (IP) evaluation, legal fees relating to the acquisition of IP))	(23)	(64)
2.6	Net cash from / (used in) investing activities	(45)	(125)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,924	1,924
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	(117)	(117)
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	1,807	1,807

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,093	4,467
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(879)	(1,173)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(45)	(125)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date - 6 months \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,807	1,807
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,976	4,976

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	305	843
5.2	Call deposits	4,671	3,250
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)	4,976	4,093

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

73

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

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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.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
20	-

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)	(879)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	4,976
8.3	Unused finance facilities available at quarter end (Item 7.5)	20
8.4	Total available funding (Item 8.2 + Item 8.3)	4,996
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	6

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

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:

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:

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:

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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:30 January 2020.....

Authorised by:Tony Di Pietro – Company Secretary.....
(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.