

# Quarterly Activities Report

Period Ending 31 March 2021

**ASX Code:** ADO

**Shares on Issue**

1,874 million

**CEO**

Mr Derek Thomson

**Company Secretary**

Mr Duncan Cornish

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## Key Activities

Activities for the quarter focused on the completion of the COVID-19<sup>1</sup> Antigen Rapid Test (ART) for CE Mark registration and the validation and analysis of results from our battery collaborators evaluating AnteoX.

## Highlights for the Quarter Include:

- COVID-19 ART clinical study validated high Sensitivity 97.3% and Specificity 99.6%
- CE Mark submission for COVID-19 ART and EuGeni reader completed. CE Mark registration received post the quarter end
- Receipt of \$1.4 million Queensland Government grant towards the development and commercialisation of the COVID-19 ART
- Initial assessment of AnteoX completed by Collaborator 8 confirmed AnteoTech's electrochemical performance enhancement.

<sup>1</sup> The AnteoTech Antigen Rapid Test detects the SARS-CoV-2 active virus that causes the disease called COVID-19

## Letter to Shareholders

Dear Shareholders

On behalf of the Board, I am pleased to provide you with our quarterly Activities Report.

As I write this letter, we are just one day post the market launch of our latest product, the high sensitivity rapid diagnostic testing platform EuGeni. The launch is the culmination of a tremendous effort by our small team over the past 12 months to shepherd the COVID-19 ART and platform from the laboratory through the regulatory approval process to a commercially available product.

As we launch our product, we are already embarking on customer demonstrations of the EuGeni platform and COVID-19 ART, having received over 50 inbound enquiries from 21 countries. Separately, we are continuing our strategic approach in Europe via the employment of resources to represent EuGeni. The first of these new resources will be employed in France, with the specific objective of engaging medical systems offering clinical testing and screening services via a network of privately owned laboratories. We aim to approach several key laboratories to trial the EuGeni platform to create momentum for further roll-out. Additionally, we will be undertaking the required French clinical validation and aim to commence this in the coming weeks. We are also finalising similar approaches to align with market and regulatory requirements in Germany, UK, Italy and Spain.

The feedback we have received from European markets to date indicates a need for differentiation. This places even further importance on our strategy to roll out a saliva use case for the COVID-19 ART. We are in the process of preparing and sending test kits from Spain and readers to the UK to complete this saliva validation work, which we expect will be finalised and CE Mark approved by June this year.

Closer to home, the terrible scenes and news coming out of India in recent weeks have compelled us to focus our relationship efforts on that country to help where possible. Typically, India requires FDA approval to operate; however, we have begun initial discussions, through representatives, with the Indian government to discover if it is possible to operate with CE Mark approval in the short term, given the urgency of the situation. With our current strategic focus on the saliva trials in the UK and out of courtesy to the country, we have decided to suspend our Indian prospective clinical trial to not further burden a medical system that is clearly in crisis.

Our development and technical transfer processes with Axxin and Operon are now complete, and we will be signing contracts with both organisations very shortly. We will announce these as they are completed. The first lot of EuGeni readers will be delivered to us this week and will be sent to Asian and European distributors for market seeding purposes.

The raw materials business continues to advance. We have had further orders from the Serum Institute of India during the quarter, and we are continuing our dialogue with them to strengthen our relationship. Forecast information from Ellume during the quarter has reinforced our previous guidance of modest increases of AnteoBind for the near term. We believe Ellume is finalising scaled production plans and have indicated that new forecast information will be available as they complete that process.

Our Energy team has also made significant progress during the quarter achieving a major milestone following validation and recognition of AnteoX's electrochemical performance enhancing capabilities by Collaborator 8. Further work undertaken by Collaborators 5 and 6 has revealed the untapped potential of using AnteoX as a binder additive. These positive results have propelled us to begin the process of preparing and finalising AnteoX as a marketable product. This work will require significant focus and effort from the Energy team and will likely run until late 2021.

Finally, I would like to thank our shareholders for their support over this quarter. It has again been a quarter of major milestones and significant achievements for the Company, and our staff have been working tirelessly to ensure we succeed in our endeavours both on the Energy and Life Science fronts. For those shareholders who could not join our EuGeni Launch live via the webcast, a copy of the recording is available via the Investor section of the website.

**Derek Thomson**

Chief Executive Officer

## Life Sciences

### **COVID-19 Antigen Rapid Test Development**

The focus this quarter lay in the finalisation of studies and completion of technical documentation for submission for CE Mark registration. Of particular significance was the confirmation of our Clinical Study validating the Sensitivity 97.3% and Specificity 99.6% of the COVID-19 Antigen Rapid Test [ASX 22 March 2021].

### **CE Mark Registration**

Post the quarter, on 12 April, the Company received Conformité Européenne (CE) Mark registration for its EuGeni Reader and the *in vitro* rapid diagnostic test for the detection of SARS-CoV-2 nucleocapsid antigen, the COVID-19 ART.

The CE Mark registration confirms that the EuGeni Reader and the COVID-19 ART conform with health and safety protection standards for products sold within the European Economic Area (EE) and the United Kingdom. Further, it supports the sale of AnteoTech's EuGeni Reader and the COVID-19 ART which uses the unique AnteoBind activated Europium technology, to deliver a high performing and high sensitivity test.

### **Clinical Study and CE Mark Submission**

The final clinical studies for CE Mark submission were concluded during the quarter. The study was conducted and reviewed by the Victorian Infectious Diseases Reference Laboratory (VIDRL).

All clinical samples used in the study by VIDRL were confirmed positive or negative to SARS-CoV-2 by RT-PCR and stored in Viral Transport Media (VTM), an additional and dilutive chemical element not present in the test's normal intended use.

In total, 444 deidentified nasopharyngeal samples were analysed, 184 of which were clinically diagnosed (RT-PCR confirmed) as positive for SARS-CoV-2 and 260 diagnosed as negative.

Overall COVID-19 ART sensitivity: 97.3% (179/184) and specificity 99.6% (259/260).

### **AnteoTech Customer Ellume Secure US Contract**

In February AnteoTech's customer, Ellume, announced an agreement with the U.S. Department of Defence (DOD) for its Emergency Use Authorization (EUA) COVID 19 at-home test.

AnteoTech's supply strategy is to support assay development of key customers via use of our surface coating technology - AnteoBind. AnteoBind is a key element of AnteoTech's own COVID-19 Antigen Rapid Test launched on 28 April and several other assays marketed globally. Ellume's announcement is a welcome event that is a demonstration of AnteoTech's importance in helping deliver key diagnostic products to global markets.

### **Queensland Government Grant Awarded**

On 21 January we announced the receipt of a \$1.4 million grant towards the development and commercialisation of its COVID-19 Antigen Rapid Test (ART), under the Queensland Government's Essential Goods and Supply Chain Program (EGSCP).

## Energy

During the quarter, the focus of the Energy team lay with furthering the collaboration work and validation and analysis of results from our partners. This recent work has led to strengthened partnerships and created a pathway to commercialisation of AnteoX.

A detailed summary of the results from collaborators was released to the market post the quarter on 26 April. The following is a highlight of key collaboration outcomes.

**Collaborator 8** - *(A very large northern Asian diversified electronics manufacturer with global operations.)*

Collaborator 8 has confirmed the enhanced electrochemical performance resulting from the application of AnteoX (AnteoTech's Cross-Linker Additive) in a high silicon content lithium-ion anode. The results mirror those achieved by AnteoTech when using Collaborator 8's binder in testing with silicon anodes. (Reported in the Quarterly Activities Report for period ending 31 December 2020)

It has been agreed that Collaborator 8 will enter discussions with their battery component manufacturer customers to conduct trials utilising the combination of their binder and AnteoX within their customer's preferred silicon anode design. If these trials prove successful, Collaborator 8 has indicated they will seek to establish a supply arrangement with AnteoTech to supply the combined offering directly to their customers, including battery manufacturers and device and automotive OEMs. The trial program has been designed and agreed. It includes several gated milestones based on testing results and will run from now until late 2021.

**Collaborator 5** - *(A large central European silicon focused chemical company developing anode active materials.)*

Collaborator 5 has undertaken several tests of binder formulations using AnteoX as an additive. Results from the first set of tests demonstrated an up to 16% improvement in cycle life when tested in full cells against commercial cathode materials. The result suggests that AnteoX is more effective if the anode coating is placed under greater stress caused by higher levels of silicon lithiation leading to higher anode utilisation and consequently energy capacity (Wh).

AnteoTech has tested this theory using Collaborator 5 anodes under full lithiation conditions. Results demonstrated a close to 500mAh/g increase in starting capacity of the AnteoX containing anodes compared to Collaborator 5's controls, demonstrating AnteoX's ability to create more stable electrode coating networks even for very high anode loading and energy designs.

These findings are being communicated back to Collaborator 5 in anticipation of further discussions and the development of new joint work packages.

**Collaborator 9** - *(A large northern Asian battery manufacturer focusing on supply of lithium-ion batteries in the portable electronics market).*

AnteoX was evaluated by Collaborator 9, using a unique anode coating composition exclusively used for the screening of different binder chemistries. This particular anode chemistry was found to perform stably in half cells; however, further studies with a more carefully selected anode composition are required. Being a battery manufacturer for portable electronics, future discussions with Collaborator 9, will focus on the use of AnteoX with commercially relevant high energy anode designs and components.

### **Near Term Steps Toward Commercialisation of AnteoX**

Following the results and feedback from our Collaborators, AnteoTech has increased confidence to begin the process of preparing and finalising AnteoX as a marketable product.

The initial commercialisation work will focus on completing customer trials facilitated by Collaborator 8. The trials are expected to lead to process integration and subsequent adoption of AnteoX alongside Collaborator 8's binder product. If successful, this process will conclude with the sale of AnteoX to Collaborator 8's customers via a supply agreement between AnteoTech and Collaborator 8.

In parallel, AnteoTech has commenced planning activity to formalise the development of a standalone product offering by combining commonly used and available binder products with AnteoX for use in silicon active material anode designs. We believe this initiative will facilitate a market position that enables broad use of AnteoX in the lithium-ion battery component manufacturer market.

### **Future Battery Industries CRC**

On 8 April AnteoTech announced a Project Participation Agreement with the Future Battery Industries CRC (FBICRC) for collaboration in "The Super Anode Project".

The Super Anode Project is a four-year project with the aim of developing the materials, processes and cell-level technology to kick-start Australia's battery industry and complement the FBICRCs cathode precursor refinement and material development project.

The Super Anode Project will deliver on two equally funded project areas.

- (1) The development of flake graphite production in Australia by adding value to Australia's natural graphite reserves by creating "step change" improvements in processing and ensuring Australian natural graphite meets the high standards of global battery manufacturers.
- (2) Secondly, the development of high-capacity silicon-containing anodes that meet future national and global capacity requirements by designing silicon composite materials and integrating them with Australian natural graphite.

AnteoTech is one of nine research participants in the Super Anode Project and was selected as the exclusive contributor of silicon composite materials for refinement within the Super Anode Project. AnteoTech will contribute through in-kind contributions and a projected cash contribution of \$500,000 over the four years.

# Investor Relations

## Investor Stream Interviews

### Investor Stream chats with, CEO Derek Thomson – 22 March 2021

Derek Thomson discusses the results of the independent Analytical and Clinical Study completed by VIDRL and provides an overview of the next steps post CE Mark submission.

<https://www.investorstream.com.au/anteotech-release-march>

### Investor Stream chats with, CEO Derek Thomson – 11 February 2021

Derek outlines the importance of the Ellume development for AnteoTech and provides an update on the Company's own rapid tests, and delves into the potential pathways to market.

<https://www.investorstream.com.au/anteotech-release-february-11>

# Corporate

## Appointment of Chief Financial Officer

AnteoTech announced the appointment of Ms Gail Jukes as Chief Financial Officer (CFO) effective 1st July 2021. With the recent expansion and commercialisation of AnteoTech's Life Science and Energy businesses, the appointment of a full time CFO will provide the integrated strategic financial support needed during this time of growth. Gail's leadership will strengthen the executive team and aid in the development and delivery of commercial strategy to shape the future of the Company.

## Placement

On 28 April AnteoTech advised that it has secured firm commitments to raise \$12m (before costs) through the issue of approximately 46.2m of new fully paid ordinary shares at an issue price of \$0.26 ("offer price") per new share ("placement"). The offer price represents a 9.9% discount to the 30-day volume-weighted average price and a 20.3% discount to the 10-day volume-weighted average price. The placement was strongly supported by a range of new institutional and sophisticated investors.

Funds from the placement will be used to scale up the roll-out of the Company's EuGeni reader and in vitro rapid diagnostic test for the detection of SARS-CoV-2 nucleocapsid antigen (COVID-19 ART). The Company will also use the new capital to accelerate its pipeline of other assay tests, including the COVID-19 FluA/FluB Multiplex tests and Sepsis test. AnteoTech will also deploy funds for organisational development in support of the growing activity base in the Company and for working capital purposes.

## Share Purchase Plan

Post the period in review, on 28 April, the Company announced the launch of a Share Purchase Plan ("SPP") to eligible, existing investors to raise up to an additional \$4 million at the offer price.

AnteoTech will conduct an SPP to existing and eligible shareholders in the Company with a registered address in Australia and New Zealand as at 7:00pm (AEDT) on Tuesday, 27 April 2021.

The SPP will provide each eligible shareholder with the opportunity to apply for up to A\$30,000 worth of new fully paid ordinary shares at the same price as the placement price.

Further details on the SPP will be distributed to shareholders in the coming days.



**SPP - Key Dates**

<b>Record Date (7pm Sydney time)</b>	Tuesday, 27 April 2021
<b>Announcement of Offer</b>	Wednesday, 28 April 2021
<b>Dispatch of Offer Document and Application</b>	Tuesday, 4 May 2021
<b>Form Offer opening date</b>	
<b>Offer closing date (5pm Sydney time)</b>	Tuesday, 18 May 2021
<b>Issue of New Shares</b>	Tuesday, 25 May 2021

The above dates are indicative only. The Company may vary the dates and times of the Offer by lodging a revised notice with ASX.

New Shares issued under the Offer will be issued as soon as practicable after the Offer closing date. Application for quotation on ASX of the New Shares will be made immediately following the issue of those Shares.

The Company has lodged an ASX Appendix 3B for the placement and SPP and will lodge ASX Appendix 2A's and cleansing notices pursuant to section 708A(5)(e) and (6) of the Corporations Act on the SPP open date and on completion of the placement.

**Cash**

The Company continued to monitor expenditure carefully during the period under review, ahead of the clinical trials and associated expenditure planned for the remainder of the financial year.

AnteoTech had \$5.1 million cash on hand as at 31 March 2021, and is progressing a capital raising of \$12 million to \$16 million. The Company is well funded to support its near term commercial and clinical milestones.

**ASX Listing Rule 4.7C disclosure**

\$58,000 was spent during the quarter to Related Parties, as reported in Item 6.1 of the ASX Appendix 4C (Quarterly Cash Flow Report). This comprises the directors' fees.

For further information, please check our website ([www.anteotech](http://www.anteotech)) or contact Mr Derek Thomson on + 61 7 3219 0085. Media and investor inquiries may also be directed to Friederike Graser, on +61 7 3219 0085.

This announcement has been authorised for release by the Board.

**ABOUT ANTEO GROUP – AnteoTech Ltd (ASX:ADO)**

AnteoTech is a surface chemistry company with Intellectual Property ("IP") in its core technology product groups AnteoCoat™, AnteoBind™ and AnteoRelease™. The Company's purpose is to create shareholder value by identifying and solving important global industry problems by providing unique value-add solutions for its customers. Customers operate in the life sciences, diagnostics, energy and medical devices markets.

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