

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

Cynata Therapeutics Limited

ABN

98 104 037 372

Quarter ended ("current quarter")

31 December 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for:		
(a) staff costs	(56)	(114)
(b) advertising and marketing	-	-
(c) research and development	(74)	(81)
(d) leased assets	-	-
(e) other working capital	(371)	(708)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	18	25
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (R&D rebate received)	159	184
Net operating cash flows	(324)	(694)

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	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(324)	(694)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	123	123
(b) equity investments	-	(271)
(c) intellectual property	-	-
(d) physical non-current assets	(1)	(1)
(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)	-	-
Net investing cash flows	122	(149)
1.14 Total operating and investing cash flows	(202)	(843)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	5,123	6,430
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (share issue costs)	(418)	(496)
Net financing cash flows	4,705	5,934
Net increase (decrease) in cash held	4,503	5,091
1.21 Cash at beginning of quarter/year to date	1,705	1,117
1.22 Exchange rate adjustments to item 1.21	(8)	(8)
1.23 Cash at end of quarter	6,200	6,200

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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	96
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

1.24 above includes payments of \$18k to Dr Ross Macdonald for services rendered as Managing Director/CEO; \$15k to Dr Stewart Washer for services rendered as Executive Chairman; \$45k (inc GST) to Platinum Corporate Secretariat Pty Ltd for services rendered by Mr Peter Webse as Non-Executive Director and Company Secretary (the amount includes payment relating to the capital raising and re-listing of the Company and associated shareholder meetings) and payments of \$18k to Mr Howard Digby for services rendered as Executive Director.

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, Cynata Therapeutics Ltd (formerly Eco Quest Ltd) issued 10,000,001 fully paid ordinary Eco Quest Limited shares (on a post-consolidation basis) (non-cash) at 40 cents per share to acquire the remaining 67% of Cynata Inc.

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

N/A

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	18	10
4.2 Deposits at call	6,059	1,695
4.3 Bank overdraft	-	-
4.4 Other (cash brought in from acquiree)	123	-
Total: cash at end of quarter (item 1.23)	6,200	1,705

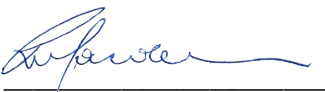
Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	Cynata Inc. (including its subsidiary Cynata Australia Pty Ltd)	N/A
5.2 Place of incorporation or registration	USA/Australia	N/A
5.3 Consideration for acquisition or disposal	10,000,001 fully paid ordinary shares at 40 cents per share (non-cash) (refer 2.1)	N/A
5.4 Total net assets	(\$49,550)	N/A
5.5 Nature of business	Therapeutic product research, development and commercialisation	N/A

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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: 30 January 2014

Print name: Dr Ross Macdonald
(Managing Director)

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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