Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity	
BRESAGEN LIMITED	
<u> </u>	
ABN	Quarter ended ("current quarter")
60 007 988 767	September 2005

Consolidated statement of cash flows

		Current quarter	Year to date
Cash flows related to operating activities		\$A'000	(3 months)
			\$A'000
1.1	Receipts from customers	765	765
1.2	Payments for (a) staff costs	(511)	(511)
	(b) advertising and marketing	(5)	(5)
	(c) research and development		
	(d) leased assets		
	(e) other working capital (i)	(1,664)	(1,664)
1.3	Dividends received		
1.4	Interest and other items of a similar nature	6	6
	received		
1.5	Interest and other costs of finance paid	(143)	(143)
1.6	Income taxes paid		
1.7	Other receipts	154	154
	Net operating cash flows	(1,398)	(1,398)

Notes -

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Included in other working capital for the current quarter is payment of \$776k GST due to the Land Management Corporation ('LMC') due on 1 July 2005.

⁺ See chapter 19 for defined terms.

		Current quarter \$A'000	Year to date (3 months) \$A'000
1.8	Net operating cash flows (carried forward)	(1,398)	(1,398)
1.9	Cash flows related to investing activities Payment for acquisition of: (a) businesses (item 5)		
1.10	(a) businesses (item 5) (b) equity investments (c) intellectual property (d) physical non- current assets (e) other non-current assets Proceeds from disposal of: (a) businesses (item 5) (b) equity investments (c) intellectual property (d) physical non- current assets (e) other non-current assets	(117)	(117)
1.11 1.12 1.13	Loans to other entities Loans repaid by other entities Other (provide details if material)		
	Net investing cash flows		
1.14	Total operating and investing cash flows	(1,515)	(1,515)
	Cash flows related to financing activities		
1.15 1.16 1.17	Proceeds from issues of shares, options, etc. Proceeds from convertible notes (ii) Proceeds from borrowings	352 900	352 900
1.17 1.18 1.19 1.20	Repayment of borrowings Dividends paid Other (provide details if material)	(535)	(535)
	Net financing cash flows	717	717
	Net increase (decrease) in cash held	(798)	(798)
1.21 1.22	Cash at beginning of quarter/year to date Exchange rate adjustments to item 1.20	1,309	1,309
1.23	Cash at end of quarter	511	511

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Notes - (ii) During the period these convertible notes were convertible to shares.

⁺ 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	48		
1.25	Aggregate amount of loans to the parties included in item 1.11			
1.26	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			
2.2	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. (See AASB 1026 paragraph 12.2).

		Amount available	Amount used
		\$A'000	\$A'000
3.1	Loan facilities		
	- Secured long term loan (Land Management		
	Corporation) (i)	7,764	7,764
	- Secured working capital facility (ii)	3,400	1,200
3.2	Credit standby arrangements		

Notes -

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⁽i) On 18 March 2002, a secured long term loan facility was provided by the Land Management Corporation for the construction of a new building and production facility.

⁽ii) A secured convertible note facility was approved by shareholders at a meeting of shareholders held on 11 October 2004. The facility allows BresaGen to issue up to a maximum of 34 Notes each with a value of \$100,000 (total facility value \$3.4M).

⁺ See chapter 19 for defined terms.

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	326	326
4.2	Deposits at call	185	185
4.3	Bank overdraft		
4.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	511	511

Acquisitions and disposals of business entities

		Acquisitions	Disposals
		$(Item\ 1.9(a))$	$(Item \ 1.10(a))$
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:	Bryan Dulhunty (Company secretary)	Date: 19 October 2005
Print name:	Bryan Dulhunty	

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⁺ See chapter 19 for defined terms.

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 1026: Statement of Cash Flows apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 itemised disclosure relating to acquisitions
 - 9.4 itemised disclosure relating to disposals
 - 12.1(a) policy for classification of cash items
 - 12.3 disclosure of restrictions on use of cash
 - 13.1 comparative information
- 3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting 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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⁺ See chapter 19 for defined terms.