



ASX RELEASE

APPENDIX 4D & HALF-YEAR FINANCIAL REPORT

31 January 2018: Sienna Cancer Diagnostics (ASX:SDX), a medical technology company developing and commercialising innovative cancer-related tests for the diagnostic pathology market, releases its Appendix 4D and Financial Report for the period ended 31 December 2017.

The Group reported a net loss of \$1,379,482 for the reporting period. Results for the comparative period, the 6 months to 31 December 2016, showed a net profit of \$354,702 which included the capitalisation of \$655,609 of development expenditure for Sienna's in-vitro diagnostic (IVD) product. The process of capitalisation ceased on 21 December 2016. The 2016 result also included the receipt of \$637,523 from the Research & Development Tax Incentive refund. The R&D Tax Incentive refund for 2017 is expected to be received in the second half-year of the financial year. If an Overseas Advance Finding application submitted to AusIndustry is approved, an amount similar to that reported in the 2017 financial year will be received.

Product revenue of \$267,826 (2016: \$293,724) was recorded for the six months to 31 December 2017. Sienna's US distributor, StatLab Medical Products, is working to expand U.S. market penetration of Sienna's IVD test. Three new pathology laboratories have started clinical use of the test, and several more are in the process of evaluating the test.

Matthew Hoskin, CEO of Sienna Cancer Diagnostics said,

"The teams at Sienna and StatLab are very excited about the growth opportunity in the US; awareness of the clinical utility of our product is growing, and we are working to ensure that expanded market uptake follows from this. In the past six months StatLab has created a pipeline of sites evaluating the test, three of which have recently commenced using our product on a commercial basis."

"Researchers from the prestigious Johns Hopkins Hospital in Baltimore, USA, have prepared a poster detailing the results of a study evaluating the use of our IVD product in bladder cancer diagnosis. This poster will be presented in March at the annual United States and Canadian Academy of Pathology (USCAP) conference, the world's largest gathering of pathologists, which this year is being held in Vancouver, BC. We expect these data will further validate the value of the test and could help accelerate commercial uptake."

During the reporting period Sienna also announced the appointment of Axlabs A/S as its distribution agent for Denmark and Sweden. The training of Axlabs staff in preparation for sales and marketing in those regions is now underway.

The Company ended the half-year with cash reserves of \$3.6 million (2016: \$1.7 million), with \$4.6 million of new capital received in August via Sienna's ASX listing.

ENDS.





About Sienna Cancer Diagnostics

Sienna Cancer Diagnostics Ltd. is an Australian medical technology company, with operations in the United States, Europe and Australia. Sienna's strengths lie in identifying novel technologies that satisfy unmet clinical / market needs, then developing and commercialising them. The Company has demonstrated the utility of its first product with the help of its global clinical partners. Sienna's primary platform is the detection of the biomarker telomerase, which is found in nearly all epithelial cancers, and was the subject of a Nobel Prize in 2009. Telomerase is well recognised as an important biomarker used by 85% of cancers to enable immortal cell replication.

The FDA listing of Sienna's first IVD in the United States, and CE marking / IVD registration in Europe and Australia, means the SCD-A7 reagent can be used for clinical diagnostic purposes by pathology laboratories in those regions. Diagnostic pathology laboratories may now purchase the product for use as an in-vitro diagnostic test for the presence of hTERT, a component of telomerase.

For further information, please contact:

Matthew Hoskin, CEO
Sienna Cancer Diagnostics
mhoskin@siennadiagnostics.com.au
+61 3 8288 2141

Kyahn Williamson
WEBuchan
kwilliamson@buchanwe.com.au
+61 3 9866 4722

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.



SIENNA CANCER DIAGNOSTICS LIMITED
ABN 74 099 803 460
AND CONTROLLED ENTITIES

APPENDIX 4D
HALF-YEAR REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

1. Reporting Period

Current Reporting Year - For the half-year ended 31 December 2017
 Previous Reporting Year - For the half-year ended 31 December 2016

2. Results for Announcement to the Market

	December 2017	December 2016	Change	Change
	(\$)	(\$)	(\$)	(%)
Revenue from ordinary activities	267,826	293,724	(25,897)	8.8
(Loss)/profit from ordinary activities after income tax attributable to members for the half-year	(1,379,482)	354,702	(1,734,184)	488.9
Net (loss)/profit after tax attributable to members for the half-year	(1,379,482)	354,702	(1,734,184)	488.9

Earnings Per Share	December 2017	December 2016
Basic earnings per share (cents)	(0.01)	0.00
Diluted earnings per share (cents)	(0.01)	0.00

Net Tangible Asset Backing	December 2017	December 2016
Net tangible assets per share (cents)	0.02	0.01

3. Financial Results

This report should be read in conjunction with any ASX announcements made by Sienna Cancer Diagnostics Limited in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The information provided in this report contains all the information required by ASX Listing Rule 4.2A.

For an explanation of the financial results reported above please refer to commentary provided in the Directors' Report attached to the Financial Report for the half-year ended 31 December 2017.

4. Dividends

No dividend has been declared in relation to the half-year ended 31 December 2017 and no dividend was declared in relation to the half-year ended 31 December 2016.

5. Statement of profit or loss and other comprehensive income with notes

Refer to attached financial report.

6. Statement of financial position with notes

Refer to attached financial report.

7. Statement of changes in equity

Refer to attached financial report.

8. Statement of cash flows

Refer to attached financial report.

9. Segment results

Refer to Note 6 of the financial report attached.

10. Details of entities over which control has been gained or lost during the period

No transactions during the reporting period impacted Sienna's control of any entities.

11. Details of associates and joint venture entities

The consolidated entity had no associates or joint venture entities during the half-year ended 31 December 2017 or the half-year ended 31 December 2016.

12. Other factors

Refer to attached financial report.

13. Matters relating to the auditor's independent review report

The attached financial report has been reviewed and the independent auditor's review report contained within is not subject to a qualification.

SIENNA CANCER DIAGNOSTICS LIMITED
ABN 74 099 803 460

FINANCIAL REPORT FOR THE HALF-YEAR ENDED
31 DECEMBER 2017

This half-year financial report is to be read in conjunction with the Annual Report for the year ended 30 June 2017.

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SIENNA CANCER DIAGNOSTICS LIMITED

A.B.N 74 099 803 460

DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

The Directors of Sienna Cancer Diagnostics Limited (Sienna or the Company) present the financial report of Sienna Cancer Diagnostics Ltd and its subsidiary (the Group) for the half-year ended 31 December 2017.

Directors and Company Secretary

The names of the Directors and Company Secretary of Sienna in office at any time during or since the end of the half-year are:

Geoffrey Cumming	Non-executive Chairman
David Earp	Non-executive Director
Carl Stubbings	Non-executive Director
John Chiplin	Non-executive Director
Tony Di Pietro	Company Secretary

Principal Activities

Sienna is a medical technology company that develops and commercialises cancer-related in-vitro diagnostic tests which address unmet clinical needs. Sienna's target market is pathology laboratories worldwide. The first product developed and brought to market by Sienna is the first in-vitro diagnostic (IVD) test for detection of hTERT, a component of the biomarker telomerase.

During the reporting period the key areas of activity related to:

- an Initial Public Offering (IPO), via a Prospectus dated 25 May 2017, raising \$4.6 million of new capital
- the listing of the Company on the Australian Stock Exchange (ASX) on 3 August 2017
- supporting existing distribution agents with sales efforts in the United States and Europe
- clinical studies to demonstrate the utility of Sienna's IVD product
- research into the expanded utility of Sienna's IVD
- evaluating complementary technologies
- executing a product distribution agreement for Sienna's IVD in Denmark and Sweden
- pursuing further distribution agreements for Sienna's IVD in other geographical territories

Review of Operations

Operating results

The Group reported a loss of \$1,379,482 for the half-year ended 31 December 2017. For the half-year to 31 December 2016 a net profit of \$354,702 was recorded. The profit recorded in the comparative period was largely the result of:

- The capitalisation of development expenditure for SCD-A7 (Sienna's IVD product), totalling \$655,609. If not for the capitalisation of development expenditure, the Group would have reported a loss of \$300,907 for the half-year ended 31 December 2016. The process of capitalising development expenditure ceased on 21 December 2016, the date the product was first available for sale.
- Receipt of the company's R&D Tax Incentive refund (\$637,523) in the previous half-year (see 'Other Revenue' below).

Product Revenue and Gross Profit

The Group reported product revenue of \$267,826 (2016: \$293,724) for the half-year ended 31 December 2017 and a gross profit of \$241,260 (2016: \$273,218).

Other Revenue

The Company is awaiting AusIndustry's assessment of an Advance Overseas Finding application before submitting its Research and Development Tax Incentive claim for the 2017 financial year. During the comparative period, Sienna's claim had been submitted and paid before 31 December 2016 and an amount of \$637,523 was recorded as revenue. The Group reported interest income of \$38,499 for the half-year to 31 December 2017 (2016: \$4,546), the result of a higher cash balance following the receipt of funds from the IPO.

Operating Expenditures

Employee and contractor costs increased to \$1,014,526, from \$655,658 reported in the comparative period. The major contributors to the increase were:

- Resourcing in the areas of business development, R & D management, as well as US sales, marketing and technical support to drive the implementation of key strategies.
- An increase in Directors' fees upon ASX listing.
- A non-cash expense of \$34,522 for share based payments (2016: a credit of \$20,783).

Administration expense increased significantly this half-year, \$358,334 (2016: \$116,659), due to expenses related to the ASX listing. ASX initial listing, annual listing and transaction fees accounted for \$128,774, and investor/public relations and advisory fees added \$97,474.

Research and development expenditure reduced to \$63,205 (2016: \$386,641). The prior period included significant contract manufacturing expenditure in the lead-up to the launch of the IVD and included payments for Sienna's overseas clinical studies. Insurance expenditure increased on ASX listing, \$77,643 (2016: \$22,599), due to the increased cost of Directors and Officers insurance policies. Travel expenditure was higher in comparison to the prior period, \$78,806 (2016: \$21,332), reflecting an increase in business development activities.

SIENNA CANCER DIAGNOSTICS LIMITED

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DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

The Group reported depreciation and amortisation expenditure of \$66,140 (2016: \$12,928). The registration of Sienna's IVD product with the regulatory authorities in the US, European Union and Australia triggered the requirement to begin amortisation of capitalised development expenditure from 21 December 2016. An amortisation expense of \$54,349 (2016: \$3,355) was recorded for the reporting period.

Contributed Equity

Capital raised through the Company's IPO contributed \$4,597,600 to equity (net \$4,262,466 after directly attributable expenses of \$335,134).

Cash Flow

Cash reserves at 31 December 2017 were \$3,563,501 (2016: \$1,654,083). The Company recorded a net increase in cash held at the end of the half-year of \$2,845,845 (2016: \$568,839) due to the capital raised via the IPO, with net cash provided by financing activities contributing \$4,262,466 (2016: \$1,082,070). Net cash used in operating activities for the half-year totalled \$1,386,175 (2016: net cash provided by operating activities: \$194,188). The comparative period included \$655,609 of operating cash outflows categorised as capitalised development costs (within investing activities) and included the receipt of \$637,524 from the Research and Development Tax Incentive refund.

After Balance Date Events

There has been no other matter or circumstance which has arisen since 31 December 2017 that has significantly affected or may significantly affect:

- (a) The operations, in financial years subsequent to 31 December 2017, of the consolidated entity, or
- (b) The results of those operations, or
- (c) The state of affairs, in financial years subsequent to 31 December 2017, of the consolidated entity.

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under s307C of the *Corporations Act 2001* is set out on page 4.

None of Sienna's officers are former partners or Directors of Sienna's auditor, Walker Wayland NSW Chartered Accountants.

This report is made in accordance with a resolution of the Directors and dated this 30th day of January 2018.



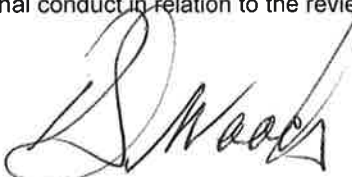
Geoffrey J Cumming
Non-executive Chairman

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF SIENNA CANCER DIAGNOSTICS LIMITED**

We declare that, to the best of our knowledge and belief, during the half year period ended 31 December 2017 there have been:

- (i) no contraventions of the auditors' independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.


Walker Wayland NSW
Chartered Accountants


Richard Woods
Partner

Dated this 30th day of January 2018, Sydney

SIENNA CANCER DIAGNOSTICS LIMITED

A.B.N 74 099 803 460

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

		Half-year	
	Note	31 Dec 2017	31 Dec 2016
		\$	\$
REVENUE FROM ORDINARY ACTIVITIES			
Product revenue		267,826	293,724
Cost of sales		(26,566)	(20,506)
GROSS PROFIT		241,260	273,218
OTHER REVENUE AND OPERATING EXPENDITURES			
Research and Development Tax Incentive		-	637,523
Interest income		38,499	4,546
Employee and contractor costs	2	(1,014,526)	(655,658)
Administration	2	(358,334)	(116,659)
Research and development		(63,205)	(386,641)
Insurance		(77,643)	(22,599)
Travel and meetings		(78,806)	(21,332)
Depreciation and amortisation	2	(66,140)	(12,928)
Other expenses from ordinary activities		(587)	(377)
		(1,620,742)	(574,125)
Loss before capitalised development expenditure and income tax		(1,379,482)	(300,907)
Capitalisation of development expenditure		-	655,609
(LOSS)/PROFIT BEFORE INCOME TAX		(1,379,482)	354,702
Income tax expense		-	-
TOTAL COMPREHENSIVE (LOSS)/PROFIT FOR THE HALF-YEAR		(1,379,482)	354,702
EARNINGS PER SHARE			
Basic earnings per share (cents per share)		(0.01)	0.00
Diluted earnings per share (cents per share)		(0.01)	0.00

The accompanying notes form part of these financial statements

SIENNA CANCER DIAGNOSTICS LIMITED

A.B.N 74 099 803 460

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	31 Dec 2017 \$	30 June 2017 \$
CURRENT ASSETS			
Cash and cash equivalents		3,563,501	720,399
Trade and other receivables		26,343	128,235
Inventories		10,028	-
Other assets		83,221	224,107
TOTAL CURRENT ASSETS		3,683,093	1,072,741
NON-CURRENT ASSETS			
Intangibles	3	2,228,565	2,266,415
Property, plant and equipment		38,743	36,587
TOTAL NON-CURRENT ASSETS		2,267,308	2,303,002
TOTAL ASSETS		5,950,401	3,375,743
CURRENT LIABILITIES			
Trade and other payables		248,431	622,601
Provisions		105,050	84,821
TOTAL CURRENT LIABILITIES		353,481	707,422
NON-CURRENT LIABILITIES			
Provisions		35,284	24,191
TOTAL NON-CURRENT LIABILITIES		35,284	24,191
TOTAL LIABILITIES		388,765	731,613
NET ASSETS		5,561,636	2,644,130
EQUITY			
Contributed equity	4	21,009,485	16,747,019
Reserves		167,284	132,762
Accumulated losses		(15,615,133)	(14,235,651)
TOTAL EQUITY		5,561,636	2,644,130

The accompanying notes form part of these financial statements

SIENNA CANCER DIAGNOSTICS LIMITED

A.B.N 74 099 803 460

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2016	15,588,927	140,911	(13,546,541)	2,183,297
Profit attributable to members	-	-	354,702	354,702
Share based payments credit	-	(26,983)	6,199	(20,784)
Shares issued (net of issue costs)	1,082,070	-	-	1,082,070
BALANCE AT 31 DECEMBER 2016	<u>16,670,997</u>	<u>113,928</u>	<u>(13,185,640)</u>	<u>3,599,285</u>
BALANCE AT 1 JULY 2017	16,747,019	132,762	(14,235,651)	2,644,130
Loss attributable to members	-	-	(1,379,482)	(1,379,482)
Share based payments expense	-	34,522	-	34,522
Shares issued (net of issue costs)	4,262,466	-	-	4,262,466
BALANCE AT 31 DECEMBER 2017	<u>21,009,485</u>	<u>167,284</u>	<u>(15,615,133)</u>	<u>5,561,636</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Note	Half-year	
		31 Dec 2017 \$	31 Dec 2016 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from product income		365,760	338,088
Receipts from the Research and Development Tax Incentive		-	637,524
Interest received		30,072	4,851
Payments to suppliers and employees		(1,782,007)	(786,275)
Net cash (used in)/provided by operating activities		<u>(1,386,175)</u>	<u>194,188</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of intangibles		(16,499)	(49,481)
Purchase of property, plant and equipment		(13,947)	(2,329)
Payment for capitalised development costs		-	(655,609)
Net cash used in investing activities		<u>(30,446)</u>	<u>(707,419)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of ordinary shares		4,597,600	1,094,320
Payment of share issue costs		(335,134)	(12,250)
Net cash provided by financing activities		<u>4,262,466</u>	<u>1,082,070</u>
NET INCREASE/(DECREASE) IN CASH HELD		<u>2,845,845</u>	<u>568,839</u>
Cash and cash equivalent at beginning of the half-year		720,399	1,080,657
Effects of exchange rate changes on the balance of cash held in foreign currencies		(2,743)	4,587
CASH AND CASH EQUIVALENT AT END OF FINANCIAL PERIOD		<u>3,563,501</u>	<u>1,654,083</u>

The accompanying notes form part of these financial statements

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

a. Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Sienna Cancer Diagnostics Limited and its controlled entities (referred to as the "consolidated entity" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2017, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 30 January 2018.

b. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

SIENNA CANCER DIAGNOSTICS LIMITED

A.B.N 74 099 803 460

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Half-year	
	31 Dec 2017	31 Dec 2016
NOTE 2: LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX BENEFIT	\$	\$
(Loss)/profit from ordinary activities before income tax benefit has been determined after charging the following items:		
Employee and contractor costs		
- Staff salaries and contractors	753,910	562,794
- Directors' fees	108,261	77,374
- Superannuation	63,035	53,883
- Share based payments expense/(credit)	34,522	(20,784)
- Other employment expenses	54,798	(17,609)
Per Consolidated Statement of Profit or Loss	<u>1,014,526</u>	<u>655,658</u>
Administration		
- ASX listing and transaction fees	128,774	-
- Investor/public relations and advisory fees	97,474	-
- Share registry fees	8,244	1,807
- Rental expense on operating lease	31,830	31,463
- Other administration expenses	92,012	83,389
Per Consolidated Statement of Profit or Loss	<u>358,334</u>	<u>116,659</u>
Depreciation and amortisation		
- Depreciation of plant and equipment	9,713	7,329
- Amortisation of building improvements	2,078	2,244
- Amortisation of capitalised development expenditure	54,349	3,355
Per Consolidated Statement of Profit or Loss	<u>66,140</u>	<u>12,928</u>

SIENNA CANCER DIAGNOSTICS LIMITED

A.B.N 74 099 803 460

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

	31 Dec 2017	30 June 2017
	\$	\$
NOTE 3: INTANGIBLE ASSETS		
CAPITALISED DEVELOPMENT EXPENDITURE		
SCD-A7™		
- Employee and contractor costs	1,239,653	1,239,653
- External development expenses	835,257	835,257
- Other capitalised expenses	151,678	151,678
	<u>2,226,588</u>	<u>2,226,588</u>
Accumulated amortisation	(112,911)	(58,562)
	<u>2,113,677</u>	<u>2,168,026</u>
INTELLECTUAL PROPERTY		
Patents – at cost	111,983	98,389
Trademarks – at cost	2,905	-
Accumulated amortisation / impairment	-	-
	<u>114,888</u>	<u>98,389</u>
	<u>2,228,565</u>	<u>2,266,415</u>

Movement in Carrying Amounts	Intellectual Property	Capitalised Development	Total
	\$	\$	\$
Balance at the beginning of the half-year	98,389	2,168,026	2,266,415
Additions	16,499	-	16,499
Amortisation	-	(54,349)	(54,349)
Balance at the end of the half-year	<u>114,888</u>	<u>2,113,677</u>	<u>2,228,565</u>

	31 Dec 2017 No.	30 June 2017 No.	31 Dec 2017 \$	30 June 2017 \$
NOTE 4: CONTRIBUTED EQUITY (NET)				
Ordinary shares fully paid	180,262,327	157,274,327	21,009,485	16,747,019

Balance at the beginning of the reporting period	157,274,327	149,974,141	16,747,019	15,588,927
Issued during the year	22,988,000*	7,300,186	4,597,600*	1,231,426
Equity raising expenses	-	-	(335,134)	(73,334)
Balance at the end of the reporting period	<u>180,262,327</u>	<u>157,274,327</u>	<u>21,009,485</u>	<u>16,747,019</u>

*Ordinary shares issued on 31 July 2017, priced at \$0.20 per share, pursuant to the Company's IPO and subsequent listing on the ASX on 3 August 2017

NOTE 5: CONTINGENT LIABILITY

There were no contingent liabilities at 31 December 2017 or 30 June 2017.

SIENNA CANCER DIAGNOSTICS LIMITED

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

NOTE 6: SEGMENT REPORTING

In accordance with Australian Accounting Standard AASB 8 Operating Segments, the Company has determined that it has one reporting segment, consistent with the manner in which the business is managed. This is the manner in which the chief operating decision maker receives information for the purpose of resource allocation and assessment of performance. The Group operates predominantly in one business and geographical segment being the research and development of cancer diagnostics in Victoria, Australia.

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no other matter or circumstance which has arisen since 31 December 2017 that has significantly affected or may significantly affect:

- (a) The operations, in financial periods subsequent to 31 December 2017, of the consolidated entity, or
- (b) The results of those operations, or
- (c) The state of affairs, in financial periods subsequent to 31 December 2017, of the consolidated entity.

DIRECTORS' DECLARATION

The Directors declare that:

1. in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and provide a true and fair view of the financial position and performance of the consolidated entity.
2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.



Geoffrey J Cumming
Non-executive Chairman

Dated this 30th day of January 2018

Independent Auditors Review Report

To the members of Sienna Cancer Diagnostics Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Sienna Cancer Diagnostics Limited and its Controlled Entity which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Company and the entity it controlled at the half-year end or from time to time during the financial period.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with AASB 134 Interim Financial Reporting including: giving a true and fair view of the consolidated entities financial position as at 31 December 2017 and its performance for the half-year ended on that date. As the auditor of Sienna Cancer Diagnostics Limited ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.


Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Sienna Cancer Diagnostics Limited is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of Sienna Cancer Diagnostics Limited's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*



Walker Wayland NSW
Chartered Accountants



Richard Woods
Partner

Dated this 30th day of January 2018, Sydney