



## Appendix 4D

### Half Year Report to the Australian Stock Exchange

<b>Name of Entity</b>	CannPal Animal Therapeutics Limited
<b>ABN</b>	88 612 791 518
<b>Half Year Ended</b>	31 December 2020
<b>Previous Corresponding Reporting Period</b>	31 December 2019

#### Results for Announcement to the Market

Results for Announcement to the Market

	\$'000	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities	756	8.5%
Profit / (loss) from ordinary activities after tax attributable to members	(273)	(47%)
Net profit / (loss) for the period attributable to members	(273)	(47%)
Dividends (distributions)	Amount per security	Franked amount per security
Dividend 31/12/20	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	N/A	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
Loss for the half year ended 31 December 2020 included an expense of \$594,555 for research and development costs and research and development tax refund of \$685,968.		

### Dividends

<b>Date the dividend is payable</b>	N/A
<b>Record date to determine entitlement to the dividend</b>	N/A
<b>Amount per security</b>	N/A
<b>Total dividend</b>	N/A
<b>Amount per security of foreign sourced dividend or distribution</b>	N/A
<b>Details of any dividend reinvestment plans in operation</b>	N/A
<b>The last date for receipt of an election notice for participation in any dividend reinvestment plans</b>	N/A

### NTA Backing

	<b>Current Period</b>	<b>Previous corresponding period</b>
<b>Net tangible asset backing per ordinary security</b>	1.45 cents	2.97 cents

### Control Gained Over Entities Having Material Effect

<b>Name of entity (or group of entities)</b>	None
<b>Date control gained</b>	N/A
<b>Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired</b>	N/A
<b>Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period</b>	N/A

### Loss of Control Gained Over Entities Having Material Effect

<b>Name of entity (or group of entities)</b>	None
<b>Date control lost</b>	N/A
<b>Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control</b>	N/A
<b>Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period</b>	N/A

### Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
None	N/A	N/A	N/A	N/A
<b>Aggregate Share of Net Profits</b>	N/A	N/A	N/A	N/A

### Foreign Entities Accounting Framework

For foreign entities provide details of which accounting standards have been adopted (e.g. International Accounting Standards)

N/A

### Audit/Review Status

**This report is based on accounts to which one of the following applies:**  
(Tick one)

The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
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**If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification:**

N/A

### Attachments Forming Part of Appendix 4D

Attachment #	Details
1	Interim Financial Report

**Signed By Company Secretary**



**Print Name**

Baden M Bowen

**Date: 19 February 2021**



CannPal Animal  
Therapeutics Limited

# **Financial Statements**

for the half year ended 31 December 2020

# Corporate Directory

CannPal Animal Therapeutics Limited  
ABN 88 612 791 518

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## Directors

Geoff Starr  
(Non-Executive Chairman)

Layton Mills  
(CEO and Managing Director)

Robert Clifford  
(Non-Executive Director)

Dr Kate Adams  
(Non-Executive Director)

## Company Secretary

Baden Bowen

## Solicitors

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

## Registered Office

Level 3  
45a Bay Street  
DOUBLE BAY NSW 2028  
Telephone: +61 2 6108 3622  
Email: [info@cannpal.com](mailto:info@cannpal.com)  
Website: [www.cannpal.com](http://www.cannpal.com)

## Share Registry

Computershare Investor Services Pty Limited  
Level 11  
172 St Georges Terrace  
PERTH WA 6000

## Auditor

BDO Audit (WA) Pty Ltd  
38 Station Street  
SUBIACO WA 6008

# Contents

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Corporate Directory	2
Directors' Report	4
Auditor's Independence Declaration	6
Financial Statements	
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11
Directors' Declaration	15
Independent Auditor's Review Report	16

## Directors' Report

Your directors present their report with respect to results of CannPal Animal Therapeutics Limited (the "company" or "CannPal") for the half year ended 31 December 2020 and the state of affairs for the Company at that date.

### Directors

The following persons were directors of CannPal Animal Therapeutics Limited during the whole of the financial period to the date of this report (unless otherwise stated):

- **Geoff Starr**  
(Non-Executive Chairman)
- **Robert Clifford**  
(Non-Executive Director)
- **Robert Maxwell Johnston – Resigned 3 September 2020**  
(Non Executive Director)
- **Layton Patrick Mills**  
(CEO and Managing Director)
- **Kathryn Claire Adams**  
(Non-Executive Director)

### Dividends

No dividends have been paid by the Company or declared by the directors since the commencement of the financial period ended 31 December 2020.

### Corporate Information

CannPal Animal Therapeutics Limited is incorporated and domiciled in Australia. The registered office is located at Level 3, 45a Bay Street, Double Bay NSW.

#### Principal activity and Review of Operations

The principal activity of the Company is that of an animal therapeutics company. For the period ended 31 December 2020, the Company focussed on the research and development of animal health products, which included research and development costs of **\$594,555** (2019 \$764,152), resulting in a research and development tax refund of \$685,968 (2019: \$654,421). The result for the period was a loss of **\$272,845** (down from \$512,534).

### Significant Changes in State of Affairs

On 16 November 2020, the Company announced that it had entered into a scheme implementation deed pursuant to which AusCann Group Holdings Ltd would acquire 100% of the Company's shares via a scheme of arrangement. In the opinion of the directors, there were no other significant changes in the state of affairs of the Company that occurred during the period.

### Significant Changes After Balance Date

The scheme of arrangement referred to above was registered by the Australian Securities and Investments Commission on 3 February 2021. A shareholder meeting will be held on 8 March 2021 to vote on the scheme of arrangement. The Directors are not aware of any other matter or circumstance that has significantly or may significantly affect the operation of the Company or the results of those operations, or the state of affairs of the Company in subsequent financial years.

### **Indemnification of Directors and Officers**

During the period the Company paid for Directors' & Officers' insurance in the normal course of business.

### **Auditor Independence**

The Directors have obtained an independence declaration from the Company's auditors, BDO Audit (WA) Pty Ltd, as presented on page 6 of this financial report.

On behalf of the Board

CannPal Animal Therapeutics Limited

A handwritten signature in black ink, appearing to be 'Geoff Starr', with a stylized, flowing script.

**Geoff Starr**  
**Chairman**

Sydney, NSW  
19 February 2021



# Auditor's Independence Declaration to the Directors of CannPal Animal Therapeutics Limited



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38 Station Street  
Subiaco, WA 6008  
PO Box 700 West Perth WA 6872  
Australia

## DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF CANNPAL ANIMAL THERAPEUTICS LIMITED

As lead auditor for the review of CannPal Animal Therapeutics Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'Neil Smith', with a stylized flourish at the end.

**Neil Smith**  
**Director**

**BDO Audit (WA) Pty Ltd**  
Perth, 19 February 2021

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

# Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2020

	Notes	31 December 2020 \$	31 December 2019 \$
<b>Income</b>			
Research & Development tax refund		685,968	654,421
ATO cash flow boost		50,000	—
Sales		16,655	—
Interest income		3,161	42,055
<b>Total income</b>		<b>755,784</b>	<b>696,476</b>
<b>Expenses</b>			
Research & Development		594,555	764,152
Employee expenses		55,232	52,551
Directors fees		36,148	42,000
Legal & Professional		302,340	228,882
Share based payments	7	10,889	63,351
Corporate & Administration		29,465	58,074
<b>Total expenses</b>		<b>(1,028,629)</b>	<b>(1,209,010)</b>
<b>Loss before income tax</b>		<b>(272,845)</b>	<b>(512,534)</b>
Income tax benefit/(expense)		—	—
<b>Loss after income tax</b>		<b>(272,845)</b>	<b>(512,534)</b>
<b>Net loss for the period attributable to members of CannPal Animal Therapeutics Limited</b>		<b>(272,845)</b>	<b>(512,534)</b>
Other comprehensive income, net of tax		—	—
<b>Total comprehensive loss for the period attributable to the members of CannPal Animal Therapeutics Limited</b>		<b>(272,845)</b>	<b>(512,534)</b>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings/(loss) per share attributable to the ordinary equity holders of the company:</b>			
<b>Basic earnings / (loss) per share</b>		<b>(0.29)</b>	<b>(0.55)</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# Statement of Financial Position

As at 31 December 2020

	Notes	31 December 2020 \$	31 December 2019 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		1,411,062	1,915,662
Trade and other receivables	4	27,600	30,471
<b>Total current assets</b>		<b>1,438,662</b>	<b>1,946,133</b>
<b>Total assets</b>		<b>1,438,662</b>	<b>1,946,133</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	5	49,580	291,550
Employee benefits provisions		39,129	42,674
<b>Total current liabilities</b>		<b>88,709</b>	<b>334,224</b>
<b>Total liabilities</b>		<b>88,709</b>	<b>334,224</b>
<b>Net assets</b>		<b>1,349,953</b>	<b>1,611,909</b>
<b>EQUITY</b>			
Issued capital		6,975,607	6,975,607
Reserves	6	1,740,616	1,729,727
Accumulated losses	6	(7,366,270)	(7,093,425)
<b>Total equity</b>		<b>1,349,953</b>	<b>1,611,909</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

## Statement of Changes in Equity

For the half year ended 31 December 2020

	Notes	Issued capital \$	Share based payments reserve \$	Accumulated losses \$	Total \$
<b>Balance at 1 July 2020</b>		<b>6,975,607</b>	<b>1,729,727</b>	<b>(7,093,425)</b>	<b>1,611,909</b>
Total Comprehensive Income					
Loss for the period		–	–	(272,845)	(272,845)
<b>Total comprehensive loss for the period</b>		<b>–</b>	<b>–</b>	<b>(272,845)</b>	<b>(272,845)</b>
<i>Transactions with owners in their capacity as owners</i>					
Share based payment reserve	6	–	10,889	–	10,889
<b>Balance at 31 December 2020</b>		<b>6,975,607</b>	<b>1,740,616</b>	<b>(7,366,270)</b>	<b>1,349,953</b>
<b>Balance at 1 July 2019</b>		<b>6,975,607</b>	<b>1,628,019</b>	<b>(5,389,854)</b>	<b>3,213,772</b>
Total Comprehensive Income					
Loss for the period		–	–	(512,534)	(512,534)
<b>Total comprehensive loss for the period</b>		<b>–</b>	<b>–</b>	<b>(512,534)</b>	<b>(512,534)</b>
<i>Transactions with owners in their capacity as owners</i>					
Share based payment reserve	6	–	63,351	–	63,351
<b>Balance at 31 December 2019</b>		<b>6,975,607</b>	<b>1,691,370</b>	<b>(5,902,388)</b>	<b>2,764,589</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

For the half year ended 31 December 2020

	Notes	31 December 2020 \$	31 December 2019 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(1,260,384)	(927,155)
Research & Development tax refund		685,968	—
ATO cash flow boost		50,000	—
Receipts from customers		16,655	—
Interest received		3,161	42,055
<b>Net cash outflows to operating activities</b>		<b>(504,600)</b>	<b>(885,100)</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(504,600)</b>	<b>(885,100)</b>
Cash and cash equivalents at the beginning of the financial period		1,915,662	3,304,878
<b>Cash and cash equivalents at end of period</b>		<b>1,411,062</b>	<b>2,419,778</b>

*The above statement of cash flow should be read in conjunction with the accompanying notes.*

# Notes to the Financial Statements

31 December 2020

## 1 Corporate information

The financial report of CannPal Animal Therapeutics Limited (the "Company") for the period ended 31 December 2020 was authorised for issue in accordance with a resolution of the directors on 19 February 2021.

CannPal Animal Therapeutics Limited is a company limited by shares, incorporated and domiciled in Australia.

The nature of the operations and principle activities are described in the Directors' report. The Company is a listed public company limited by shares and trading on the Australian Securities Exchange.

## 2 Summary of significant accounting policies

### (a) Basis of preparation

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, with the adoption of new and amended standards as set out below.

#### *New accounting standards and interpretations*

The Company has adopted all new accounting standards and interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for annual reporting periods beginning 1 July 2020. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the Company.

### (b) Statement of compliance

This interim financial report for the half-year reporting period ended 31 December 2020 has been prepared in accordance with accounting standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. This interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report. It is recommended that this interim financial report be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by CannPal Animal Therapeutics Limited up to the date of this report in accordance with

the continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

#### *Basis of measurement and reporting convention*

This interim financial report has been prepared on an accruals basis and are based on historical cost. The interim financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

### (c) Going Concern

For the half-year ended 31 December 2020 the Company recorded a loss of \$272,845 and had net cash outflows from operating activities of \$504,600.

The ability of the Company to continue as a going concern is dependent on securing additional funding through the Scheme of Arrangement with AusCann Group Holdings Ltd referred to in the Directors Report or through a capital raising, to continue to fund its operational and marketing activities. The Scheme of Arrangement was registered by the Australian Securities and Investments Commission on 3 February 2021. A shareholder meeting will be held on 8 March 2021 to vote on the Scheme of Arrangement.

These conditions indicate a material uncertainty about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe there are sufficient funds to meet the Company's working capital requirements as at the date of this report. Subsequent to year end the Company expects to receive additional funds via the Scheme of Arrangement.

The financial statements have been prepared on the basis that the Company is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business as management plans to closely monitor the level of expenditure.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

# Notes to the Financial Statements

31 December 2020

## 3 Segment Reporting

The Company's operations are based in Australia. Given the nature of the Company, its size and current operations, the Company's management does not treat any part of the Company as a separate operating segment. Internal financial information used by the Company's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable segments.

Accordingly, the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

## 4 Trade and other current receivables

	31 December 2020 \$	30 June 2020 \$
Other debtors	2,091	80
GST receivable	25,509	30,391
	<b>27,600</b>	<b>30,471</b>

## 5 Trade and other payables

	31 December 2020 \$	30 June 2020 \$
Payroll accruals	10,201	10,599
Audit fees	8,752	13,427
Trade creditors and accruals	12,986	249,799
Director's fees	17,641	18,725
	<b>49,580</b>	<b>292,550</b>

Due to the short-term nature of these payables, their carrying value approximates their fair value.

# Notes to the Financial Statements

31 December 2020

## 6 Reserves and accumulated losses

	31 December 2020 \$	30 June 2020 \$
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### (a) Reserves

#### Share based payment reserve

Opening balance	1,729,727	1,628,019
Expense for the period (Note 7)	10,889	101,708
<b>Closing balance</b>	<b>1,740,616</b>	<b>1,729,727</b>

The share-based payment reserve is used to record the value of share-based payments provided to third parties for services rendered or employees as part of their remuneration.

### (b) Accumulated losses

Movements in accumulated losses were as follows:

Opening balance	7,093,425	5,389,854
Net loss after tax attributable to members of the Company	272,845	1,703,571
<b>Closing balance</b>	<b>7,366,270</b>	<b>7,093,425</b>

## 7 Share-based payments

A summary of the shares-based payments expenses recognised during the period is as follows:

Option Type	Class	Number	FY	Grant Date	Vesting Date	Expiry Date	Exercise price \$	Fair Value \$	SBP expense 31/12/2020	SBP reserve 31/12/2020
Advisors	C	1,500,000	2018	10/07/2017	09/07/2020	Expired	–	0.1163	\$1,434	\$174,506
<b>Total</b>									<b>\$1,434</b>	<b>\$174,506</b>
Performance Rights	F	625,000	2018	01/07/2017	01/07/2017	30/06/2022	–	0.15	–	\$93,776
Performance Rights	F	625,000	2018	01/07/2017	30/06/2022	30/06/2022	–	0.15	\$9,455	\$65,720
<b>Total</b>									<b>\$9,455</b>	<b>\$159,496</b>

### Advisors (Class C)

These advisor options are issued to advisors of the Company in consideration for the advisors providing their experience, knowledge, assistance and access. These options are exercisable at \$0.25 on or before three years from the date of issue and will automatically lapse if the option holder ceases to be an advisor of the Company, which implies that there is a service-based condition attached to the advisor options, therefore it has been expensed over the vesting period.

### Performance Rights (Class F)

These Performance Rights are issued to Layton Mills in consideration for the following four performance milestones that will expire on the date that is five years from the date of issue if the relevant milestone attached to that Performance Right has not been achieved.



## Notes to the Financial Statements

31 December 2020

The vesting conditions (non-market) and performance milestones are listed below:

- 625,000 Class A Performance Rights shall convert into an equal number of ordinary shares upon the Company receiving conditional approval to commence trading on the Australian Securities Exchange (ASX) and the completion of a capital raise of at least \$4,000,000. This milestone was granted during the prior period upon successful completion of the initial public offering of the Company. The expense is fully recognised in prior periods.
- 625,000 Class B Performance Rights shall convert into an equal number of ordinary shares upon the Company entering into a commercial licencing agreement for the commercialisation of any of its products. This milestone has been granted as it was assessed by management as more than likely to be met.
- 625,000 Class C Performance Rights shall convert into an equal number of ordinary shares upon the Company achieving revenue from sales or licensing of its products of \$1,000,000 or more within 36 months of successfully listing on the ASX. This milestone hasn't been granted as it is not yet known that this will be met as assessed by management.
- 625,000 Class D Performance Rights shall convert into an equal number of ordinary shares upon the Company acquiring regulatory approval from the US Food & Drug Administration, including approval under the Minor Use/ Minor Species Animal Health Act of 2004 (US) (or equivalent) for any of the Company's products. This milestone hasn't been granted as it is not yet known that this will be met as assessed by management.

### 8 Related party transactions

Other than the share-based payment transactions disclosed in Note 7, transactions with related parties are consistent with those disclosed in the 30 June 2020 annual report.

### 9 Events occurring after reporting date

The scheme of arrangement referred to above was registered by the Australian Securities and Investments Commission on 3 February 2021. A shareholder meeting will be held on 8 March 2021 to vote on the scheme of arrangement. The directors are not aware of any other matter or circumstance that has significantly or may significantly affect the operations of the company or the results of those operations, or the state of affairs of the company in subsequent financial years.

### 10 Commitments and contingencies

The Company has engaged various service firms to assist them with the preparation and completion of the Scheme of Arrangement. At 31 December 2020, the estimated remaining fees are \$265,770.

There has been no other significant change in commitments or contingencies since the last annual reporting date.

## Directors' Declaration

31 December 2020

In accordance with a resolution of the directors of CannPal Animal Therapeutics Limited, I state that:

- (a) The financial statements and notes of the Company set out on pages 7 to 14 are in accordance with the *Corporations Act 2001*, including
  - (i) Giving a true and fair view of the financial position as at 31 December 2020 and of its performance for the period ended on that date of the Company.
  - (ii) Complying with *Australian Accounting Standards* AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

CannPal Animal Therapeutics Limited



**Geoff Starr**  
Chairman

19 February 2021  
Sydney, NSW



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Australia

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of CannPal Animal Therapeutics Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of CannPal Animal Therapeutics Limited (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year then ended, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration.

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 the Company is not in accordance with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

#### Emphasis of matter - Material uncertainty relating to going concern

We draw attention to Note 2(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

#### 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 is free from material misstatement, whether due to fraud or error.

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



#### **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 the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

#### **BDO Audit (WA) Pty Ltd**

A handwritten signature in black ink, appearing to read 'Neil Smith', is written over a small, stylized BDO logo.

**Neil Smith**

**Director**

Perth, 19 February 2021



**CannPal Animal Therapeutics**

ACN 612 791 518

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