

Appendix 4E

Preliminary Final Report Proteomics International Laboratories Ltd ABN 78 169 979 971

Dates

Financial Year Ended	30 June 2018
Previous Corresponding Reporting Period	Financial year ended 30 June 2017

Results for Announcement to the Market

	Current Period (30 Jun 2018) \$	Percentage increase /(decrease) over previous corresponding period	Previous Corresponding Period (30 Jun 2017) \$
Revenue from ordinary activities ¹	1,176,457	27.1%	925,357
(Loss) from ordinary activities after tax attributable to members ²	(1,440,108)	(57.1%)	(916,475)
(Loss) for the period attributable to members	(1,440,108)	(57.1%)	(916,475)

Notes:

1. Revenue from continuing operations has been disclosed as revenue from ordinary activities.
2. Net loss for the period from continuing operations has been disclosed as loss from ordinary activities after tax attributable to members

Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not Applicable	

Commentary on the results for the financial year ended 30 June 2018

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Medical technology company Proteomics International Laboratories Ltd (ASX: PIQ) (Proteomics International, the Company) presents this financial report for the year ended 30th June 2018, with the following explanation of the results:

- Revenue from ordinary activities encapsulates income from the Company's analytical services and has maintained its growth trend reaching \$1,176,457, a 27% increase compared to the previous year.
- Combined income from all sources rose 16% to \$2.15 million. Revenue from ordinary activities encapsulates income from the Company's analytical services, licensing fees, and grant income including the R&D Tax Incentive.
- The R&D Tax incentive has been calculated as \$844,123 and will be payable in FY2019. The tax incentive from increased Research and Development activities forms a key element of Proteomics International's operating strategy as the Company brings its lead product, PromarkerD, to market and seeks to develop new diagnostics tests for chronic diseases.
- Operational expenditure totalled \$3.59million, an increase of 29% in-line with budget, and reflecting an increase in activity in the commercialisation of PromarkerD and the launch of new analytical services.
- The loss from ordinary activities of \$1,440,108 reflects normal operational costs and non-cash items.
- At 30 June 2018 the Company had cash reserves of \$2.5 million. On the back of the Company's research and development focus it anticipates an R&D Tax Incentive cash rebate of \$844,123, to be received in the December quarter.
- A full description of Proteomics International's operational activities are contained in the Company's Annual Report for 2018 available [here](#):

Net tangible assets per ordinary share

	30 June 2018	30 June 2017
	\$	\$
Net tangible asset per share	0.08	0.03

Details of Associates and Joint Venture Entities

Name of entity	Ownership Interest		Contribution to net profit/(loss)	
	2018 %	2017 %	2018 \$A	2017 \$A
	N/A	N/A	N/A	N/A
Associates				
Joint Venture Entities				
Aggregate Share of Losses				

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

Name of entity	N/A
Date of gaining control	N/A
Commentary and contribution	N/A

Audit Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited	<input checked="" type="checkbox"/>	The accounts have been subject to review	<input type="checkbox"/>
The accounts are in the process of being audited or subject to review	<input type="checkbox"/>	The accounts have not yet been audited or reviewed	<input type="checkbox"/>

If the accounts have not yet been audited and are likely to contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter:

Not applicable.

If the accounts have been audited contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter:

Not applicable.

Proteomics International Laboratories Ltd

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	Consolidated 2018 \$	Consolidated 2017 \$
Revenue from continuing operations			
- Services		1,176,457	925,357
Other Income			
- Grant income		103,277	127,878
- Interest income		26,607	15,409
- Other income		459	1,197
- Research and development tax incentive		844,123	790,751
Employment and labour expenses	2(c)	(1,596,329)	(1,536,027)
Share based payments credit (expense)	11	(71,767)	151,288
Depreciation expense		(235,690)	(165,210)
Intellectual property maintenance expenses		(81,750)	(116,270)
Interest expense		(61,739)	(65,048)
Laboratory supplies		(466,695)	(369,024)
Professional fees		(429,652)	(217,457)
Travel and marketing expenses		(104,011)	(137,271)
Laboratory access fees		(126,258)	(93,436)
Realised loss in foreign currency translation		(5,157)	(9,176)
Other expenses		(411,983)	(219,436)
(Loss) before income tax		(1,440,108)	(916,475)
Income tax (expense) / benefit		-	-
(Loss) after income tax from continuing operations		(1,440,108)	(916,475)
Total comprehensive loss for the year		(1,440,108)	(916,475)
Total comprehensive loss attributable to equity holders of Proteomics International Laboratories Ltd		(1,440,108)	(916,475)
Basic Loss per share for the year attributable to the members of Proteomics International Laboratories Ltd		(0.02)	(0.02)
Diluted loss per share		N/A	N/A

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

Proteomics International Laboratories Ltd

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Notes	Consolidated 2018 \$	Consolidated 2017 \$
CURRENT ASSETS			
Cash and cash equivalents	3	2,316,781	775,140
Trade and other receivables	4	603,270	317,858
Other assets	5	871,750	826,262
TOTAL CURRENT ASSETS		3,791,801	1,919,260
NON-CURRENT ASSETS			
Property, plant and equipment		363,979	511,236
Other Assets	5	160,000	457,671
Investments	6	1,177,898	-
Intangible assets		1,012	1,012
TOTAL NON-CURRENT ASSETS		1,702,889	969,919
TOTAL ASSETS		5,494,690	2,889,179
CURRENT LIABILITIES			
Trade and other payables	7	390,136	314,823
Borrowings	8	147,500	219,239
Provisions		73,500	44,785
TOTAL CURRENT LIABILITIES		611,136	578,847
NON-CURRENT LIABILITIES			
Borrowings	8	164,921	656,156
Provisions		42,248	44,301
TOTAL NON-CURRENT LIABILITIES		207,169	700,457
TOTAL LIABILITIES		818,305	1,279,304
NET ASSETS		4,676,385	1,609,875
EQUITY			
Issued capital	10	10,369,887	5,935,036
Reserves	11	490,195	418,428
Accumulated losses		(6,183,697)	(4,743,589)
TOTAL EQUITY		4,676,385	1,609,875

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Proteomics International Laboratories Ltd

**CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	Consolidated 2018 \$	Consolidated 2017 \$
Cash flows from operating activities			
Receipts from customers		886,347	844,498
Payments to suppliers and employees		(2,829,120)	(2,862,214)
Interest paid		(61,739)	(65,048)
Research and development tax incentive		790,751	571,613
Grant income		103,277	24,890
Interest received		26,607	15,409
Net cash (outflow) from operating activities	3	(1,083,877)	(1,470,852)
Cash flows from investing activities			
Payments for property, plant and equipment		(50,483)	(146,985)
Net cash (outflow) from investing activities		(50,483)	(146,985)
Cash flow from financing activities			
Proceeds from the issue of shares		-	2,014,500
Payment for share issue costs		-	(128,345)
Proceeds from the conversion of options		3,276,925	65
Proceeds from the entitlement issue (net of costs)		-	-
Repayment of borrowings		(600,924)	(75,499)
Net cash inflow from financing activities		2,676,001	1,810,721
Cash and cash equivalents at the beginning of the financial year		775,140	582,256
Net increase (decrease) in cash and cash equivalents		1,541,641	192,884
Cash and cash equivalents at the end of the financial year	3	2,316,781	775,140

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

Proteomics International Laboratories Ltd

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

CONSOLIDATED 30 JUNE 2018					
		Issued Capital Ordinary	Reserves	Retained Earnings (Accumulated Losses)	Total Equity
	Notes	\$	\$	\$	\$
Balance at 1 July 2017		5,935,036	418,428	(4,743,589)	1,609,875
Loss for the year		-	-	(1,440,108)	(1,440,108)
Other comprehensive income for the year		-	-	-	-
Total comprehensive loss for the year		-	-	(1,440,108)	(1,440,108)
Transactions with Equity Holders in their capacity as Equity Holders					
Equity issued net of share issue costs	10	1,157,926	-	-	1,157,926
Conversion of Options		3,276,925	-	-	3,276,925
Share based payments	11	-	71,767	-	71,767
		4,434,851	71,767	-	4,506,618
Balance as at 30 June 2018		10,369,887	490,195	(6,183,697)	4,676,385

CONSOLIDATED 30 JUNE 2017					
		Issued Capital Ordinary	Reserves	Accumulated losses	Total
		\$	\$	\$	\$
Balance at 1 July 2016		4,048,816	569,716	(3,827,114)	791,418
Loss for the year		-	-	(916,475)	(916,475)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	-	(916,475)	(916,475)
Transactions with Equity Holders in their capacity as Equity Holders					
Equity issued net of share issue costs	10	1,886,155	-	-	1,886,155
Conversion of Options		65	-	-	65
Share based payments (credit)	11	-	(151,288)	-	(151,288)
		1,886,220	(151,288)	-	1,734,932
Balance as at 30 June 2017		5,935,036	418,428	(4,743,589)	1,609,875

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

NOTES TO THE PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Accounting Policies

(a) Basis of preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

These consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001. Australian Accounting standards, including Australian Accounting Interpretations and other pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with any public announcements made by Proteomics International Laboratories Ltd (the Company) and its controlled entity during the period since listing in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

These financial statements cover the consolidated group of Proteomics International Laboratories Ltd and its controlled entity from the date of the acquisition. Proteomics International Laboratories Ltd is a listed public company, incorporated and domiciled in Australia.

The financial statements of Proteomics International Laboratories Ltd comply with all the International Financial Reporting Standards (IFRS) in their entirety.

The accounting policies have been consistently applied by the consolidated entity across both periods presented in this report.

This report does not include full disclosures of the type normally included in the annual financial report.

Reporting basis and Convention

These financial statements have been prepared on an accruals basis and are based on historical cost modified by the fair value of selected financial liabilities for which the fair value basis for accounting has been applied.

(b) Segment Information

Operating Segments – AASB 8 requires a management approach under which segment information is presented on the same basis as that used for internal reporting purposes. This is consistent to the approach used for the comparative period.

Operating segments are reported in a uniform manner to which is internally provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

An operating segment is a component of the group that engages in business activity from which it may earn revenues or incur expenditure, including those that relate to transactions with other group components. Each operating segment's results are reviewed regularly by the Board to make decisions about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

The Board monitors the operations of the Company as one single segment. The actual to budget items and a detailed profit and loss are reported to the board to assess the performance of the Group.

The Board has determined that strategic decision making is facilitated by evaluation of the operations of the legal parent and subsidiary which represent the operational performance of the group's revenues and the research and development activities as well as the finance, treasury, compliance and funding elements of the Group.

(c) Estimates and judgements

The preparation of the financial statements requires the use of accounting estimates and judgements which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a degree of judgement or complexity in the preparing the financial information. Facts and circumstances may come to light after the event which may have significantly varied the assessment used, and which may result in a materially different value being recorded at the time of preparing these financial statements.

(i) Fair value

The fair value of financial instruments that are not traded in an active market is determined using a valuation technique. The Company uses its judgement in selecting the method, inputs and assumptions embedded in the calculation based on information available at the time of the transaction. The key assumptions in this financial report are as follows:

- Fair value of options issued – the Company has assessed the volatility within the Black Scholes model based on a list of biotech companies on the ASX. This is considered to be a reasonable basis for assessing the potential movements in the share price over time as they represent a selected industry average;
- Performance rights probability factor – the Company has undertaken an assessment of the likelihood of the rights vesting over the vesting period. This assessment taken into accounting, operational factors and success to date and restrictions in resourcing including funding. This is a best estimate of the possible outcome of the rights based on the available information to hand at the date of the report.

(ii) Deferred taxes

Deferred tax assets have not been brought to account as it is not considered probable that the Company will make taxable profits over the next 12 months. The Company will make a further assessment at the next reporting period.

(iii) Impairment of assets

The Company assesses the impairment of assets at each reporting date by evaluating conditions specific to the asset that may lead to impairment. The assessment of impairment is based on the best estimate of future cash flows available at the time of preparing the report. However, facts and circumstances may come to light in later periods which may change this assessment if these facts had been known at the time.

(d) Significant accounting policies

The following is a list of significant accounting policies required to understand the financial statements:

(i) Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Intercompany Transactions

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

(ii) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. Revenue from services is recognised in the accounting period in which the services are rendered (on a percentage of completion method).

Interest income is recognised using the effective interest method.

(iii) Government grants and tax incentives

Grants from the government are recognised at their fair value where it is probable that the grant will be received and the group will comply with all attached conditions.

A company within the group is eligible to claim a special tax credit for its qualifying research and development activities. An amount is recognised as other income in the statement of profit or loss and other comprehensive income, which is designed to match the benefit of the credit with the costs for which it is intended to compensate.

(iv) Research and Development

Research expenditure and development expenditure that do not meet the recognition criteria set out below are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period unless:

- It is technically feasible to complete the asset so that it will be available for use;
- There is an ability to use or sell the asset;
- It can be demonstrated how the asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development of, and to use or sell the asset are available; and
- The expenditure attributable to the asset during its development can be reliably measured.

(v) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss and other comprehensive income as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(vi) Employee benefits

Share-based payments compensation benefits are provided to employees via a performance rights issue.

The fair value of the rights granted under the agreement are recognised as a share based payments expense in the statement of profit or loss and other comprehensive income with a corresponding increase in equity in the statement of financial position. The total amount to be expensed is determined by reference to the fair value of the rights granted, which excludes the impact of any service and non-market conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimate of the number of rights that are expected to vest based on the non-market vesting conditions. It recognizes the impact of the revision to the original estimates, if any, in the statement of profit or loss and other comprehensive income, with a corresponding adjustment to equity in the statement of financial position.

2. Loss for the year

	Consolidated 2018 \$	Consolidated 2017 \$
Loss for the year included the following items:		
(a) R&D Tax incentive (i)	844,123	790,751
(b) Other expenses (income)		
Unrealised foreign exchange losses / (gains)	(459)	(1,197)
Realised losses	5,157	9,176
(c) Employee and labour expenses		
Salary and wages	1,273,345	1,207,164
Other personnel costs	176,358	172,969
Superannuation	120,697	114,482
Increase in leave liabilities	26,662	41,412
	1,597,062	1,536,027
Share based payment expenses (credit)	71,767	(151,288)
	1,668,829	1,384,739

(i) R&D Tax incentive

The Company undertakes a substantial amount of research in its daily activities. The Company has registered its activities and is able to claim a tax incentive (rebate) each year based on eligible research and development costs incurred during a financial year.

The amount of the incentive (rebate) is included as an income item in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2018, and the corresponding receivable included in the consolidated statement of financial position. The receipt of the tax incentive will occur in the year ended 30 June 2019.

3. Reconciliation of cash

	Notes	Consolidated 2018 \$	Consolidated 2017 \$
Cash at bank		604,335	225,140
Deposits at call		1,712,446	550,000
Total cash and cash equivalents		2,316,781	775,140

(a) Reconciliation of loss after income tax to net cash flows from operating activities

Loss for the year		(1,440,108)	(916,475)
Depreciation		235,690	165,210
Share and options based payments expense (credit)	10	71,767	(151,288)
(Increase) / decrease in traded and other debtors		(285,412)	(175,868)
(Increase) / decrease in other assets		232,211	(407,062)
Increase / (decrease) in trade and other creditors		75,313	(26,781)
Increase / (decrease) in provisions		26,662	41,412
Net cash outflow from operating activities		(1,083,877)	(1,470,852)

(b) Non-cash financing and investing activities

On 8 March 2018, the Company issued a total of 3,868,305 fully paid ordinary shares to CPR Pharma Services Pty Ltd (CPR) in exchange for a transfer of 10% of the fully diluted issued share capital of CPR. The Company received 112,397 fully paid ordinary shares in CPR.

There were no non-cash financing and investing activities during the year ended 30 June 2017.

4. Trade and other receivables

	Consolidated 2018 \$	Consolidated 2017 \$
Trade receivables	602,300	214,870
Other receivables	970	102,988
	603,270	317,858

(a) Classification of trade and other receivables

Trade debtors are amounts due from customers for services performed in the ordinary course of business. The trade receivables are generally due for settlement within 60 days and therefore are classified as current. The group does not currently have any provision for doubtful debts in respect to their receivables as at 30 June 2018.

(b) Fair value of trade and other receivables

Due to the short term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

5. Other assets

	Consolidated 2018 \$	Consolidated 2017 \$
Current:		
Research and development tax incentive	844,123	790,751
Prepayments (i)	27,627	35,511
	871,750	826,262
Non-current:		
Security Deposit (ii)	160,000	457,671
	160,000	457,671

- (i) Lease payments
(ii) Equipment leases

6. Investments

	Consolidated 2018 \$	Consolidated 2017 \$
Shares in CPR Pharma Services Pty Ltd	1,177,898	-
	1,177,898	-

During the year the Company acquired 10% of the fully diluted ordinary share capital of CPR Pharma Services Pty Ltd.

7. Trade and other payables

	Consolidated 2018 \$	Consolidated 2017 \$
Trade creditors	125,880	135,885
Other creditors	264,256	178,938
	390,136	314,823

Fair value of trade and other payables

Trade payables are unsecured and are usually paid within 60 days of recognition.

The carrying amount of trade and other payables are assumed to be the same as their fair values, due to their short term nature.

8. Borrowings

	Consolidated 2018 \$	Consolidated 2017 \$
Current:		
Finance Leases (b)	147,500	219,239
Non-Current:		
Loans – directors (a)	-	366,392
Finance Leases (b)	164,921	289,764
	164,921	656,156
(a) Directors Loans:		
Movements in directors' loans		
Opening balance	366,392	441,891
- Amounts repaid	(366,392)	(75,499)
Closing balance	-	366,392

Terms of the Borrowings

The Company entered into a loan agreement with three directors of Proteomics International Laboratories Ltd during the year ended 30 June 2015 to provide the Company with funding for working capital purposes. The loan was unsecured and was provided on the following terms:

Particulars	Terms
Principal	\$441,891
Interest rate	4%
Maturity	April 15 2019
Repayment	In cash at any time (at the election of the Company) or at maturity in cash or in shares at the market price.

The loan was repaid in full during the year ended 30 June 2018.

(b) Finance Leases:

Finance lease commitments are as follows:

	Consolidated 2018 \$	Consolidated 2017 \$
Within one year	174,455	254,676
Later than one year but no later than five years	174,030	418,332
Minimum lease payments	348,485	673,008
Future finance charges	(36,064)	(164,005)
Recognised as a liability	312,421	509,003
Lease Liability - current	164,921	219,239
Lease Liability – non-current	147,500	289,764
Recognised as a liability	312,421	509,003

Terms of the Finance Leases

The company leases laboratory equipment under finance lease agreements expiring within three years.

9. Financial Risk Management

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period as the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(i) Assessment of contractual cash flows

Contractual maturities of financial liabilities	Less than 6 Months	6 - 12 Months	Between 1 and 2 years	Between 2 and 5 years	Total Contractual Cash Flows	Carrying Amount
As at 30 June 2018	\$	\$	\$	\$	\$	\$
<i>Non-derivatives</i>						
Trade payables	125,880	-	-	-	125,880	125,880
Borrowings	87,228	87,228	155,130	18,889	348,485	312,421
Total	213,108	87,228	155,130	18,889	474,365	438,301

Contractual maturities of financial liabilities	Less than 6 Months	6 - 12 Months	Between 1 and 2 years	Between 2 and 5 years	Total Contractual Cash Flows	Carrying Amount
As at 30 June 2017	\$	\$	\$	\$	\$	\$
Trade payables	135,885	-	-	-	135,885	125,375
Borrowings	140,162	140,162	543,984	90,223	914,530	875,395
Total	276,047	140,162	543,984	90,223	1,050,415	1,011,280

(ii) Financing arrangements

The Group has a \$50,000 overdraft facility with its financial institution in place as at 30 June 2018.

10. Issued Capital

Share Capital	2018 Shares	2017 Shares	2018 \$	2017 \$
Ordinary Shares	80,098,871	58,998,710	10,369,887	5,935,036
Total consolidated issued capital				

10. Issued Capital (continued)

(a) Movement in share capital

Date	Details	Number of shares	\$
1/07/2017	Opening balance	58,998,710	5,935,036
5/02/2018	Exercise of options	556,250	111,250
15/02/2018	Exercise of options	134,800	26,960
8/03/2018	Exercise of options	1,436,171	287,234
23/03/2018	Exercise of options	2,115,564	423,113
29/03/2018	Exercise of options	5,030,582	1,006,116
8/03/2018	Issue of shares (i)	3,868,305	1,177,898
6/04/2018	Exercise of options	6,249,448	1,249,890
16/04/2018	Exercise of options	1,709,041	341,808
	Less: Transaction costs		(189,418)
	Closing balance	80,098,871	10,369,887

(i) to CPR Pharma Services
Pty Ltd – refer Note 6

Date	Details	Number of shares	\$
1/07/2016	Opening balance	50,604,635	4,048,816
4/08/2016	Exercise of options	325	65
13/12/2016	Issue of shares (i)	6,000,000	1,440,000
28/12/2016	Issue of shares (ii)	2,393,750	574,500
	Less: Transaction costs		(128,345)
	Closing balance	58,998,710	5,935,036

Placement
to: (i) sophisticated investors
(ii) employee share plan

(b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

11. Reserves

	Consolidated 2018 \$	Consolidated 2017 \$
Share based payment reserve (a)	279,900	208,133
Option reserve (b)	210,295	210,295
	490,195	418,428

11. Reserves (continued)

(a) share based payment reserve

	2018 number	2017 number	2018 \$	2017 \$
(i) Performance - Rights	-	95	-	48,633
(ii) Payments to consultants - Options	1,000,000	2,000,000	159,500	159,500
(iii) Employee share scheme - Options	1,750,000	-	120,400	-
			279,900	208,133
Movements:				
(i) Performance - Rights				

Date	Details	Number of rights 2018	\$
1/07/2017	Opening balance	95	48,633
30/06/2018	(Credit) recognized in 2018 year	(95)	(48,633)
30/06/2018	Closing balance	-	-

Date	Details	Number of rights 2017	\$
1/07/2016	Opening balance	175	359,421
30/06/2016	(Credit) recognized in 2017 year	(80)	(311,788)
30/06/2017	Closing balance	95	48,633

(ii) Payments to consultants - Options

Date	Details	Number of options 2018	\$
1/07/2017	Opening balance	500,000	159,500
31/12/2017	Issue of options to consultants	1,500,000	-
8/03/2018	Issue of options to consultants	500,000	-
31/03/2018	Exercise of options	(1,500,000)	-
30/06/2018	Closing balance	1,000,000	159,500

Date	Details	Number of Options 2017	\$
1/07/2016	Opening balance	-	-
31/05/2017	Issue of options	500,000	159,500
30/06/2017	closing balance	500,000	159,500

(iii) Employee share scheme - Options

Date	Details	Number of Options 2018	\$
1/07/2017	Opening balance	-	-
30/11/2017	Issue of options	650,000	39,500
31/03/2018	Issue of options	1,100,000	81,400
30/06/2018	closing balance	1,750,000	120,400

11. Reserves (continued)

(b) Options reserve

	2018 Options	2017 Options	2018 \$	2017 \$
Options – listed	-	17,231,856	210,295	210,295

Movements:

Date	Details	Number of options 2018	\$
1/07/2017	Opening balance	17,231,856	210,295
31/03/2018	Exercise of options	(17,231,856)	-
	Closing balance	-	210,295

During the year ended 30 June 2018, 17,231,856 options were exercised and converted into shares.

Date	Details	Number of options 2017	\$
1/07/2016	Opening balance	15,732,181	210,295
4/08/2016	Exercise of options	(325)	-
13/12/2017	Issue of options	1,500,000	-
	Closing balance	17,231,856	210,295

12. Dividends

The directors have not paid or declared a dividend during the financial year.

13. Contingent Liabilities

The company is not aware of any material contingent liabilities for the year ended 30 June 2018.

14. Earnings per share

	Consolidated 2018 \$	Consolidated 2017 \$
(Loss) attributable to ordinary shareholders	(1,440,108)	(916,475)
Weighted average number of ordinary shares*	60,692,192	55,070,725
Balance at the beginning of the year	55,070,725	50,592,486
Effect of options exercised 4 August 2016	-	294
Effect of shares issued 13 December 2016	-	3,271,233
Effect of shares issued 28 December 2016	-	1,206,712
Effect of options exercised 5 February 2018	220,976	-
Effect of options exercised 15 February 2018	49,858	-
Effect of shares issued 5 March 2018	1,239,977	-
Effect of options exercised 8 March 2018	448,558	-
Effect of options exercised 23 March 2018	573,811	-
Effect of options exercised 29 March 2018	1,281,765	-
Effect of options exercised 6 April 2018	1,455,351	-
Effect of options exercised 16 April 2018	351,173	-
	60,692,192	55,070,725
Earning per share	(\$0.02)	(\$0.02)

* Includes the effect of the transaction (under common control) for the purpose of the comparative earnings per share calculation.

15. Events occurring after the reporting period

On 17 July 2018, Proteomics International announced that it had won a major analytical services contract to perform testing of a biosimilar allergic asthma drug for Dutch/Australian company BiosanaPharma. The contract is to conduct an analytical comparability study on production runs of the drug, and is Proteomics International's largest analytical services contract to date with a contract value of USD 260,000.

On 23 August 2018, the Company provided a market update on its diagnostics research and development – the Promarker™ pipeline, including the discovery of potential biomarkers for endometriosis and *Giardia*.