

Results for announcement to the market

A summary of Hexima's results is presented below:

	2010 \$000	2009 \$000	Change %
Revenue	1,135	1,045	+8.6%
Net loss before financing income/expense	(7,291)	(13,358)	+45.4%
Net loss after tax attributable to members	(6,119)	(11,276)	+45.7%
Net tangible asset backing per ordinary security (cents per share)	29.3	36.7	-20.2%
Dividends	Nil	Nil	Nil

Note: Hexima does not operate any individual segments; all reported figures are for the total company.

Hexima Limited

Hexima Limited (ASX Code: HXL) is an agribusiness company developing innovative gene technologies to help farmers meet growing demands for food and fibre through improving yields and reducing the use of chemicals. Hexima's core technologies aim to increase yield from commercial crops, by enhancing their resistance to insect pests and fungal disease. Hexima partners with multinational seed companies to establish commercial markets for its technologies.

Commentary on results

The Board is pleased with the progress made by the Group since listing in 2007:

- Hexima entered into its first development and commercialization agreement for one of its major technology platforms, fungal disease control, with DuPont subsidiary, Pioneer Hi-Bred International. This agreement secures the commercial path to market for the technology in corn and soy, the two major GM crops, currently accounting for more that 80% of the area planted to GM crops.
- Hexima has advanced the corn program from the laboratory into the glasshouse. The Company has produced its first GM corn expressing its proprietary anti-fungal proteins and the program is now advancing towards the disease bioassay stage.
- Hexima has entered into a second non-exclusive research collaboration with Pioneer, for Hexima's MGEV technology platform.
- Hexima has also entered into a non-exclusive research license with a commercial option for the MGEV platform with global biotech market leader, Monsanto.
- The Group has conserved cash and operated below internal budgets and publicly announced expenditure estimates.

At 30 June 2010, the Group has \$23.1m in cash and interest receivables, which provides a strong base to fund the Group's activities as it advances its technologies to market.

APPENDIX 4E

Preliminary Final Report

For the year ended 30 June 2010

Operating and Financial Review

The Group had net cash outflows from operating activities of \$6.866 million for the year ended 30 June 2010 compared with \$7.164 million for the prior period. Overall cash expenditure was largely in line with the prior period and the variance reflects movements in creditors.

The Group recorded a loss after tax of \$6.119 million for the year ended 30 June 2010. The Group recorded a loss after tax of \$11.276 million for the previous year.

Net finance income for the Group for the financial year ended 30 June 2010 was \$1.172 million (2009:\$2.082 million), reflecting lower cash balances as cash is utilised and lower interest rates in the current reporting period.

Outlook

Hexima's lead technology targets fungal disease in major crops. This technology is being developed for corn and soy in collaboration with DuPont subsidiary, Pioneer Hi-Bred International, under an agreement which provides for the development and commercialisation of the technology and sets out milestone payments and royalties.

The initial target is broad-spectrum fungal disease resistance in corn, the market dominant GM crop by value. Fungal pathogens cause extensive damage to corn and the problem is growing as intensive farming techniques and reduced crop rotations combine to encourage fungal growth. It is estimated that fungal disease causes yield losses in corn worth approximately US\$8 billion each year in the Americas alone.

As well as establishing a clear path to market, the agreement represents a significant validation of the Group's technology and scientific expertise.

Over the past year, Hexima's discovery team has built upon the Company's valuable gene library, with the goal of identifying a range of anti-fungal proteins needed to create a robust, sustainable trait for the control of the major diseases of corn. Over the same period, Hexima's development teams have advanced their corn transformation expertise using skills and technology transferred from Pioneer, and the Company has completed the construction of significant new glasshouse and tissue culture facilities to house the next stage of the program.

Transgenic corn plants expressing Hexima's anti-fungal proteins are now growing in the new facility. As the program generates a sufficient number of plants over the coming months, glasshouse testing to measure the transgenic plants' resistance to fungal disease will commence.

The Group also continues to progress the development and commercialisation of its insect resistance technology and the Multi-Gene Expression Vehicle (MGEV). The Group's insect resistance technology is partially funded by the Federal Government's Climate Ready program.

During the financial year, the Group announced a number of non-exclusive research licences with major seed companies. The Group entered into a non-exclusive research licence with DuPont subsidiary, Pioneer, for the evaluation of the MGEV technology in corn and soy using Pioneer genes. This licence enables Pioneer to use the MGEV technology outside of the current fungal disease collaboration, thus extending the partnership into new areas of co-operation.

These relationships validate the Group's scientific platforms and provide for the extension of its commercial relationships.

Financial Statements

This Appendix 4E is based on the audited financial statements for the year ended 30 June 2010.