



AGENIX LIMITED

ABN: 58 009 213 754

Annual Report

For the Year Ended 30 June 2015

AGENIX LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

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AGENIX LIMITED

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 30 JUNE 2015

Dear Shareholder,

On behalf of the Board of Agenix Limited ("AGX" 'Company') I am very pleased to provide shareholders with our 2015 annual report setting out the progress and achievements of the Company since last year. This is my first report as Chair, with Nick Weston stepping down as Executive Chairman after nearly 7 years.

I take this opportunity to thank Nick for his service and results achieved during his tenure. He joined AGX at a very challenging time and has been able to negotiate us through troubled waters, when most others would not have made it.

The Company has focussed on divesting its suite of medical projects in order to pursue a new direction.

We have divested AGX-1009, our hepatitis B (HBV) drug, and we expect the net proceeds of that \$2m sale to be repatriated to Australia during 1H15. We are currently in the process of winding up the Chinese subsidiary to achieve this aim.

We have tried to divest Thromboview at the same time as settling a claim. Whilst the long standing legal claim was settled, the divestment Thromboview did not occur with the Singaporean based OKS. We continue to seek buyers for this radio diagnostic test, but at the same time, are letting expensive IP and storage fees lapse.

The DiagnostIQ rapid point-of-care test platform is on hold as we seek a buyer, as this product does not meet investor expectations.

We have been reviewing many businesses throughout the year, and conducting due diligence, but at this juncture we have no update to share with you. We hope that an announcement of our new direction will be soon, but we are being cautious to ensure that it will be both a growth and sustainable business to ensure shareholders see returns.

Financial Results

The Group's loss for the year ended 30 June 2015 was \$1,083,446 compared to a profit of \$786,160 in the previous financial year. The loss is primarily attributed to:

- one off costs associated with the finalisation of the divestment of AGX-1009 and termination of employees in China \$117,902; and
- costs incurred in respect of the settlement with OKS \$105,200.
- a charge to the statement of profit and loss and other comprehensive income amounting to \$198,600, being the non cash fair value of the securities issued to OKS AGX Inc. in accordance with accounting standards.

Total income for the year ended 30 June 2015 was \$7,657 down from \$28,190 in the previous financial year due to reduction in licence fees on the Group's intellectual property.

Operating expenses (excluding the OKS Charge) for the year totalled \$581,684 compared with the previous financial year of \$832,769, the Group has continued to reduce costs and cash burn whilst it reviews strategic alternatives.

Current assets at 30 June 2015 were \$1,694,819 (2014: \$2,085,169). Total liabilities at 30 June 2015 were \$846,100 (2013: \$705,220). Current assets reduced due to the use of cash to settle all outstanding liabilities in respect of its China operations. The increase in current liabilities is mainly due to the loans being advanced by directors to enable the Company to meet its obligations whilst the process of repatriation of funds from China is completed.

AGENIX LIMITED
EXECUTIVE CHAIRMAN'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

I would like to thank the Board, the executive team and all the staff of AGX for their important contribution to the repositioning of the Company during this phase and look forward to their continuing support and dedication going forward as we build a company which will deliver a new direction.

A handwritten signature in black ink, appearing to read 'Craig Chapman', with a stylized, cursive script.

Craig Chapman

Chairman

31 August 2015

AGENIX LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015

Your Directors present their Report on Agenix Limited and its controlled entities (hereafter referred to as the "Group") for the financial year ended 30 June 2015.

DIRECTORS

The names of directors in office at any time during or since the end of the year are:

Mr Craig Chapman B. Com CPA CSA

Non-Executive Director. Appointed 21 May 2013. Appointed Chairman 1 June 2015.

Craig has over 25 years' experience across a range of service sectors and has been instrumental in a number of highly successful consolidation plays listed on the ASX including S8 Limited (ASX: SEL), Greencross Limited (ASX: GXL), G8 Education Limited (ASX:GEM) and Australian Careers Network Limited (ASX:ACO).

Craig has held senior management roles, company secretarial positions and directorships with the above companies. Craig holds a Bachelor of Commerce degree from the University of Queensland and is a CPA. He also holds a Graduate Diploma in Applied Corporate Governance and is a member of the Institute of Chartered Secretaries and Administrators.

Mr Christopher McNamara B.Bus (Acc.), CA

Non-executive Director. Appointed 21 February 2008.

Chris McNamara, based in Melbourne, Australia, is a chartered accountant with extensive experience with business operations in Asia, and with management of property and equity investment portfolios.

Mr Adam Gallagher B.Econ G.Dip Info Sys M.Com G.Dip ACG

Non-executive Director. Appointed 1 June 2015.

Adam began his professional career as a commercial banking graduate with the Commonwealth Bank and later ANZ before starting his own corporate advisory business in 2006. He is a director of Scintilla Strategic Investments Limited, a microcap-focused investment company. Through this role he is involved in strategy formulation and advice, market communications, and corporate transactions with investee companies. His private business DG Capital Partners assists businesses across a range of industries through transitional phases including listings, mergers, growth management and corporate governance development. He also acts as company secretary for a number of public companies.

Adam holds a Bachelor of Economics, Master in Commerce and Graduate Diploma in Information Systems, as well as a Graduate Diploma in Applied Corporate Governance.

Mr Gallagher is a Director and Company Secretary of Pacific Environment Limited (ASX:PEH).

Mr Nicholas Weston LL.B, B. Ec.

Chairman. Appointed 22 August 2008. Appointed Chief Executive Officer 4 January 2010. Resigned 1 June 2015.

Nick Weston is a seasoned chairman and chief executive with a background in technology sector businesses. He holds degrees in law and economics and is also a registered trademarks attorney.

He is a member of the Australia China Business Council.

AGENIX LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Datuk Anthony Lee Vui Han (Lee) BEcon.

Non-executive Director. Appointed 27 August 2007. Retired 12 November 2014.

In 2014 Mr Lee was awarded the title of Datuk for his contributions to the Malaysian state where he resides in recognition of his services. Datuk Lee has a Bachelor of Economics Degree with a Major in Banking & Finance.

Datuk Lee has in excess of 20 years international business experience and has been actively involved in business development/marketing, quality control and cost management.

DIRECTORSHIPS OF OTHER LISTED COMPANIES

No Director has held the position of Director with any other listed company within the last three years other than Mr Adam Gallagher who is an Executive Director of Pacific Environment Limited (ASX:PEH) and Mr Craig Chapman who is a Non-Executive Director of Australian Careers Network Limited (ASX:ACO).

DIRECTORS' INTERESTS IN SECURITIES AND OPTIONS

As at the date of this Report the interests of the Directors in the securities of the Company are:

Director	Listed Securities
	Ordinary Securities
Craig Chapman (i)	24,911,464
Christopher McNamara (ii)	401,016
Adam Gallagher (iii)	7,600,000

(i) 5,172,413 ordinary securities held by Reefpeak Pty Limited and 19,739,051 Ordinary Securities held by Craig Chapman ATF Nampac Discretionary Trust.

(ii) 154,616 ordinary securities held jointly with Diana Mary McNamara and 6,400 Ordinary securities held indirectly through ING Custodians Pty Limited RPS (Christopher McNamara) account. 240,000 Ordinary Securities held solely by Christopher McNamara.

(iii) Indirect interest in 7,600,000 ordinary securities held by Scintilla Strategic Investments Limited.

COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Mr Gary Taylor (B. Bus) was appointed Company Secretary and Chief Financial Officer on the 31 March 2011; he is a qualified accountant with strong experience in early stage, international high-growth businesses. He brings over 30 years entrepreneurial experience working in Asia, USA, Australia and Europe.

DIVIDENDS PAID AND PROPOSED

No dividends have been paid or proposed by the Company during or since the end of the financial year.

AGENIX LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were:

- Review of all intellectual property owned by the Group;
- Identifying potential acquisition targets and undertaking substantial efforts in negotiating proposed deal terms and due diligence;
- Successfully resolving the legacy issues inherited regarding the original investment made by OKS AGX Inc. in 2007; and
- Completing the successful divestment of the AGX 1009 project and commencing the liquidation of the Company's wholly owned subsidiary in China.

A significant change in operations is in progress. The Board determined to review its entire intellectual property portfolio and assess the capital requirements and the time frames of developing these assets into commercial products. Following this review it was resolved that in order to increase shareholder value and near term revenues it was necessary to identify strategic alternatives. During the year extensive due diligence was undertaken on numerous opportunities none of which came to fruition which in part can be directly attributable to the uncertainty of potential litigation involving legacy issues which has now been settled together with the timing of repatriation of funds from China which is still in progress. The Group continues its efforts to identify strategic M&A opportunities.

OPERATIONAL AND FINANCIAL REVIEW

Financial Position

In August 2014 Agenix Biopharmaceutical Co (Shanghai) Limited received the equivalent of \$2,079,124 from the successful sale of its burdensome AGX-1009 project. The sale proceeds of AGX-1009 currently reside in China and the Chinese authorities have restrictions on foreign exchange transactions in RMB from China to other countries. All foreign transactions in China must be approved by the Chinese authorities and may be subject to quota. Accordingly this cash has a significant present restriction on its use.

As a result of the restrictions, directors at the time being Messrs Chapman, Lee and Gallagher and or their related entities have advanced unsecured loan funds to Agenix Limited to ensure that it can meet its obligations. At the date of this report a total of \$650,000 has been advanced by these directors. These loans are subject to repayment upon the repatriation of funds from China and may be converted, subject to shareholder approval, to equity. In addition Nicholas Weston agreed to convert monies due to him on resignation to an unsecured loan to be paid once the repatriation of funds from China is completed. The timing of the repatriation of funds is dependent upon obtaining all necessary approvals from various Chinese authorities and as such the exact timing is beyond the control of the Group.

The Group continues to have as a backstop a Continuous Investment Agreement with Baycrest Capital LLC entered into on 31 January 2013 for the provision of up to \$3 million over three years. Subject to its conditions, Agenix has full control over the timing, price and number of securities Baycrest purchases. Since entering into the agreement and to the date of this report no draw down under this facility has occurred.

AGENIX LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Operations

During the period, sustained and substantial efforts were undertaken to explore strategic business alternatives. The Company has conducted initial due diligence and assessed numerous paths to enhance value and accelerate the route to revenue. As part of this due diligence process, the Company became aware of a writ that was lodged with the Supreme Court of Victoria naming the Company as defendant.

The writ has not been served on the Company but its issue in March 2014 sought to preserve rights otherwise arguably statute barred since then.

The writ concerned claims arising from a share subscription agreement entered into between Agenix and OKS AGX Inc. (OKS) in March 2008. It made no claims concerning the conduct of any current Agenix board member or personnel.

The Company immediately entered into discussions with OKS to resolve the matter resulting in a settlement agreement being reached in March 2015. Under the terms of the settlement agreement, shareholder approval was obtained at an Extraordinary General Meeting held in May 2015 to:

- (a) immediately allot 13,240,000 Ordinary Securities to OKS and to provide and maintain OKS with a 10% shareholding in the total issued capital of Agenix for a period of 2 years or until a point immediately preceding a merger or acquisition transaction by Agenix, whichever occurs first in time; and
- (b) assign all rights, title and interest in the Thromboview project.

The assignment of the Thromboview project was subject to acceptance by OKS.

In July 2015 the Company received formal notification from OKS, that it has exercised its discretion under the Settlement Deed not to proceed with the assignment of Thromboview.

As a result the intellectual property in relation to Thromboview remains the property of the Group.

The Settlement Deed terms and conditions remain in force which removed a significant legacy barrier to allowing the company to move to pursue strategic alternatives with a view to achieving an increase in shareholder value and near term revenues.

Financial result

The Group's loss for the year ended 30 June 2015 was \$1,083,446 compared to a profit of \$786,160 in the previous financial year. The loss is primarily attributed to:

- one off costs associated with the finalisation of the divestment of AGX-1009 and termination of employees in China \$117,902;
- costs incurred in respect of the settlement with OKS \$105,200; and
- a charge to the statement of profit and loss and other comprehensive income amounting to \$198,600, being the non cash fair value of the securities issued to OKS AGX Inc. in accordance with accounting standards.

Total income for the year ended 30 June 2015 was \$7,657 down from \$28,190 in the previous financial year due to reduction in licence fees on the Group's intellectual property.

Operating expenses (excluding OKS charge) for the year totalled \$581,684 compared with the previous financial year of \$832,769 the Group has continued to reduce costs and cash burn wherever possible whilst it reviews strategic alternatives.

AGENIX LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Current assets at 30 June 2015 were \$1,694,819 (2014: \$2,085,169). Total liabilities at 30 June 2015 were \$846,100 (2013: \$705,220). Current assets reduced due to the use of cash to settle all outstanding liabilities in respect of its China operations. The increase in current liabilities is mainly due to the loans being advanced by directors to enable the Company to meet its obligations whilst the process of repatriation of funds from China is completed.

CAPITAL

Baycrest Capital LLC Funding Facility

On 31 January 2013, the Company entered into a Continuous Investment Agreement with Baycrest Capital LLC for the provision of up to \$3 million over three years. Baycrest Capital is a specialist fund that invests in high growth Australian public companies. Agenix has full control over the timing, price and number of securities Baycrest purchases. Since entering into the agreement and to the date of this report no draw down under this facility has occurred.

Ordinary Securities issued for services rendered in lieu of cash

During the year ordinary securities were issued for services rendered in lieu of cash as follows:

Party	Purpose	Number of Ordinary Securities	\$
Jaykaw Advisory Services Pty Ltd	Corporate advisory fees	1,670,386	20,000

Ordinary Securities issued for directors fees in lieu of cash

During the year ordinary securities were issued in satisfaction of the company's obligations in respect of Directors Fees due to Reefpeak Pty Limited, an entity associated with Mr Craig Chapman. Shareholder approval was granted at the 2014 Annual General Meeting for the allotment of these securities.

Party	Purpose	Number of Ordinary Securities	\$
Reefpeak Pty Limited	Directors Fees	3,172,413	46,000

Ordinary Securities issued to OKS AGX Inc.

Under the terms of the settlement agreement, shareholder approval was obtained at an Extraordinary General Meeting held in May 2015 to issue the following securities to OKS AGX Inc.:

Party	Purpose	Number of Ordinary Securities	\$
OKS AGX Inc. ¹	Settlement	13,240,000	198,600

¹ No consideration received. The amount represents the fair value in accordance with accounting standards. Refer to Note 19 of the financial statements for more information.

Issue of and or exercise of Options

No options were issued or exercised during the financial year.

No options have been issued or exercised since 30 June 2015.

AGENIX LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015
BUSINESS DYNAMICS

Thrombview®

Thrombview®, a patented technetium-99m-labelled antibody based radio-imaging test for venous thromboembolism (VTE). It can accurately test for conditions including pulmonary embolism (PE), upper extremity venous thromboembolism (UEVTE) and deep vein thrombosis (DVT). Thrombview® to this day has significant advantages not available in current standard imaging tests.

We have been unable to partner ThromboView® into a Phase III study in its current format. The evolving competitive landscape makes it unlikely we will now be able to do so without speeding the test up. The Board has determined that it should seek to dispose of this intellectual property.

AGX – 1009

The proceeds of sale were received in August 2014 and the Chinese subsidiary is currently in the process of being liquidated to enable repatriation of funds to Australia.

DiagnostIQ®

DiagnostIQ® is a single-use; hand-held cassette technology that used alone is a non-instrumented qualitative testing device and can also be used in conjunction with an electronic reader as a quantitative system. It is proven to work in low resource environments.

We have assessed that developing the DiagnostIQ® rapid point-of-care test platform from its current two-analyte format into a multiplex molecular diagnostic tool would not meet investor expectations of near term revenue, so — despite its merits — the project remains on hold.

Other opportunities

The Company has been exploring strategic alternatives to enhance value and accelerate the path to revenue in a responsible way. These alternatives could include, among others, possible joint ventures, strategic partnerships, a reverse listing, further asset sales or other possible transactions. There can be no assurance that this exploration process or negotiations will result in any transaction. The Company does not currently intend to disclose further developments with respect to this process, unless and until the Board of Directors approves a specific transaction or otherwise concludes the ongoing review of strategic alternatives. However, discussions and due diligence involving a plurality of options are well underway.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

A significant change in operations is in progress. The Board determined to review its entire intellectual property portfolio and assess the medical needs, costs, capital requirements and market acceptance of these products and the time frames for development. Following this review it was agreed that in order to increase shareholder value and near term revenues it was necessary to identify strategic alternatives. The process of identifying these strategic alternatives is ongoing.

SIGNIFICANT EVENTS AFTER BALANCE DATE

No matters or circumstance have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

AGENIX LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015
SHARE OPTIONS

At the date of this report, there are no options that could be exercised into ordinary securities.

Since the last annual report the following options have lapsed:

Type	Number	Exercise Price	Date lapsed
Listed	20,577,983	\$0.05	30 June 2015
Unlisted	6,521,740	\$0.05	30 June 2015
Unlisted	200,000	\$0.0225	2 January 2015

INDEMNIFICATION AND INSURANCE FOR DIRECTORS AND OFFICERS

During the year, the Group has paid a premium in respect of a contract insuring all of the Directors and executive officers of the Group against a liability incurred in their role as Directors and officers of the Group, except where:

1. the liability arises out of conduct involving a wilful breach of duty; or
2. there has been a contravention of Sections 182 or 183 of the Corporations Act 2001.

The insurance contract contains a confidentiality condition which prohibits disclosure of the nature of the liabilities insured or the premium paid.

DIRECTORS' MEETINGS

The numbers of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2015, and the numbers of meetings attended by each director were:

	Full Meetings of Directors		Meetings of Committees			
			Audit ¹		Remuneration ¹	
	Entitled to Attend	Attended	Entitled to Attend	Attended	Entitled to Attend	Attended
N. Weston	2	2	-	-	-	-
A. Lee	1	-	-	-	-	-
C. McNamara	3	3	-	-	-	-
A. Gallagher	1	1	-	-	-	-
C. Chapman	3	3	-	-	-	-

1. Due to the current size of the Board no audit or remuneration committees were formed during the year. The activities of these committees are undertaken by the Board during regular Board meetings. Refer Statement of Corporate Governance Practices which can be found on the company's website for detailed information.

In addition to Directors Meetings the Board and its advisors held six meetings during the year which related to ongoing strategy, direction and due diligence.

AGENIX LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015
FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Other than information disclosed in this Report, and as set out on Page 1 of the Chairman's Report, information on likely developments in the operations of the Group and the expected results of those operations in future financial years, as well as the business strategies and prospects of the Group, has not been included in this Report because the Directors believe that to include such information would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's operations are not subject to any significant environmental regulations in the countries which it operates.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under Section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

The Board did not engage the independent auditors to perform any non-audit services during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration required under Section 307C of the Corporations Act which forms part of the Director's Report for the year ended 30 June 2015 has been received and can be found on page 23.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Group is committed to the principles underpinning good corporate governance, applied in a manner which is most suited to the Group, and to best addressing the directors' accountability to security holders and other stakeholders. This is supported by a commitment to the highest standards of legislative compliance and financial and ethical behaviour.

The Group has adopted the ASX Corporate Governance Principles and Recommendations 3rd Edition.

The Company has elected to publish its Statement of Corporate Governance Practices on its website. In addition each year the Key to Disclosures - Corporate Governance Council Principles and Recommendations will be available to shareholders at the same time this report is released.

**AGENIX LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015
REMUNERATION REPORT**

The audited Remuneration Report which forms part of the Directors' Report for the year ended 30 June 2015 can be found on Pages 12 - 22.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'Craig Chapman', with a horizontal line extending to the left.

Craig Chapman

31 August 2015

Brisbane

AGENIX LIMITED REMUNERATION REPORT (AUDITED) FOR THE YEAR ENDED 30 JUNE 2015

This Remuneration Report which forms part of the Directors' Report, sets out information about the remuneration of Agenix Limited directors and its senior management for the financial year ended 30 June 2015.

The prescribed details for each person covered by this report are detailed below under the following headings:

- Director and senior management details
- Remuneration Policy
- Relationship between the remuneration policy and company performance
- Remuneration of directors and senior management
- Key terms of employment contracts
- Additional disclosures relating to key management personnel

Director and senior management details

The following persons acted as Directors of the Company during or since the end of the financial year:

Craig Chapman (Chairman)

Nicholas Weston – Resigned 1 June 2015

Christopher McNamara

Anthony Lee Vui Han (Lee) – Retired 12 November 2014

Adam Gallagher – Appointed 1 June 2015

The term 'senior management' is used in this remuneration report to refer to the following persons. Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year unless otherwise noted:

Gary Taylor (Company Secretary and Chief Financial Officer)

John Yue (Manager New Drug Development - Agenix Biopharmaceutical (Shanghai) Co Ltd) – Resigned 30 September 2014.

Remuneration policy

The performance of the Company depends upon the quality of its Directors, executives and staff. To prosper, the Company must attract, motivate and retain highly-skilled Directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives;
- link executive rewards to Security holder value; and
- establish appropriate, demanding performance hurdles in relation to variable executive remuneration.

Relationship between the remuneration policy and company performance

Agenix seeks to emphasise reward incentives for results and continued commitment to the Group through the provision of various cash bonus reward schemes, specifically the incorporation of incentive payments based on the achievement of specified timelines and targets in relation to milestones, return on equity ratios, and continued employment with the Group. The objective of the reward schemes is to both reinforce the short and long-term goals of the Group and provide a common interest between management and security holders.

As part of each executive's remuneration package there is a performance-based component. The intention of this program is to facilitate goal congruence between executives with that of the business and security holders. Generally, the executive's performance based remuneration is tied to the Company's successful

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

achievement of certain key milestones as relates to its operating activities, as well as the Company's overall financial position.

The satisfaction of the performance conditions includes a review of the audited financial statements of the Group; as such figures reduce any risk of contention relating to payment eligibility. The Board does not believe that performance conditions should include a comparison with factors external to the Group at this time.

The development of remuneration policies and structures are considered in relation to the effect on Company performance and Security holder wealth. They are designed by the Board to align Director and executive behaviours with improving Company performance and, ultimately, Security holder wealth.

The following table shows the gross sales revenue, profits and dividends for the last 5 years for the listed entity, as well as the share price at the end of the respective financial years. The significant reduction in the Company's share price is reflective of the decision of a previous board to divest the Company of certain assets.

	2011	2012	2013	2014	2015
	\$000	\$000	\$000	\$000	\$000
Gross sales revenue	-	-	3	25	8
Net profit (Loss)	(2,707)	(1,355)	(3,258)	786	(1,083)
Share price at year-end	0.014	0.004	0.023	0.015	0.014
Dividends paid	Nil	Nil	Nil	Nil	Nil

The overall level of key management personnel compensation takes into account the overall operating performance of the Group over a number of years. Focus for current key management personnel and Directors has therefore been on cost saving measures and recovery efforts to ensure the ongoing viability of the Group and implementing a strategy to maximise Security holder value seeking to partner existing intellectual assets and by introducing new products for commercialisation, where the risk of clinical failure is diminished.

In accordance with best practice corporate governance, the structure of non-executive Director and senior management remuneration is separate and distinct.

Performance based remuneration

The key performance indicators (KPIs) are set annually, with a certain level of consultation with key management personnel to ensure buy-in. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for Group expansion and profit, covering financial and non-financial as well as short and long-term goals. The level set for each KPI is based on budgeted figures for the Group and respective industry standards.

Performance in relation to the KPIs is assessed annually by the Board, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs are reviewed by the Board in light of the desired and actual outcomes, and their efficiency is assessed in relation to the Group's goals and Security holder wealth, before the KPIs are set for the following year. All bonuses require Board approval for payment. For the year ended 30 June 2015 performance based remuneration was suspended as the company reviews all its operations.

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Remuneration of directors and senior management

	Short Term Employment Benefits				Post Employment Benefits	Other Long Term Post Employee Benefits	Share Based Payments	Total \$
	Salary & Fees \$	Bonus \$	Non Monetary \$	Other \$	Super -annuation \$		Equity- settled \$	
2015								
Non Executive Officers								
C McNamara	32,000	-	-	-	3,087	-	-	35,087
A Lee ¹	11,734	-	-	-	1,201	-	-	12,935
C Chapman	46,000	-	-	-	-	-	-	46,000
A Gallagher ²	2,667	-	-	-	-	-	-	2,667
Executive Officers								
N Weston ³	34,106	-	-	9,177	3,240	-	362	46,885
G Taylor	105,000	-	-	-	-	-	-	105,000
J Yue ⁴	6,670	-	-	-	4,773	-	-	11,443
	238,177	-	-	9,177	12,301	-	362	260,017
2014								
Non Executive Officers								
C McNamara	32,000	-	-	-	2,960	-	-	34,960
A Lee	32,000	-	-	-	2,960	-	-	34,960
C Chapman	46,000	-	-	-	-	-	-	46,000
Tang Wen Sen ⁴	17,720	-	-	-	-	-	-	17,720
Executive Officers								
N Weston	121,482	22,773	-	10,011	13,343	-	1,857	169,466
G Taylor	130,000	-	-	-	-	-	-	130,000
J Yue	36,502	7,304	-	-	18,212	-	-	62,018
	415,704	30,077	-	10,011	37,475	-	1,857	495,124

1. Retired 12 November 2014

2. Appointed 1 June 2015

3. Resigned as Director 1 June 2015

4. Ceased as part of key management personnel during the year

No director or senior management person appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

The following tables provide employment details of persons, who were, during the financial year, members of key management personnel of the consolidated group. The tables also illustrate the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options.

		Proportions of remuneration related to performance			Proportions of elements of remuneration not related to performance		Total %
Position held at 30 June 2015		Non salary cash based incentives %	Securities %	Options Rights %	Salary, benefits, fees %	Securities Rights %	
Non Executive Officers							
C Chapman	Director	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%
C. McNamara	Director	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%
A Gallagher	Director	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%
Executive Officers							
G Taylor	Company Secretary & Chief Financial Officer	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Cash Bonuses, Performance-related Bonuses and Share-based Payments

The terms and conditions relating to options and bonuses granted as remuneration during the year to key management personnel and other executives during the year are as follows:

Group Key Management Personnel	Remuneration Type	Grant Date	Reason for Grant (Note 1)	Percentage vested/paid during the year %	Percentage forfeited during the year %	Percentage remaining as unvested %	Expiry date for vesting or payment	Range of possible values relating to future payments
N. Weston	Options	4/01/2013	(a)	0.00%	0.00%	100.00%	4/01/2015	\$0
	Cash	1/07/2012	(b)	0.00%	0.00%	0.00%	1/06/2015	\$0
Note 1 (a)	The grant of Options to the Chief Executive Officer was approved by Security holders at the 2012 Annual General Meeting and consists of 200,000 options exercisable at \$0.0225 expiring 4 January 2015.							
Note 1 (b)	The Chief Executive remuneration structure for calendar year 2014 was a fixed salary package of \$150,000 and a variable component of \$100,000 which vested upon attainment of specific criteria when they are met. Effective 1 July 2014 the remuneration package was restructured to a fixed Chairman's Fee of \$50,000 per annum plus statutory superannuation entitlements. Where additional time was spent by the Chief Executive this was billed at discounted rates through his legal practice, Nicholas Weston, Lawyers.							

No other KMP or executives have received options and bonuses granted as remuneration during the year.

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Key terms of employment contracts

Agenix Limited

The employment conditions of Mr Nicholas Weston, the previous Chairman were formalised in a contract of employment. The contract of employment commenced on 4 January 2012. Effective 1 July 2014, Mr Weston agreed to reduce his base remuneration to \$50,000 per annum to save costs. Additional remuneration for time spent over and above that necessary to effectively discharge his duties as Chairman required approval of the Board. Mr Weston's appointment with the Company may have been terminated with the Company giving 6 months' notice or by Mr Weston giving 3 months' notice. The Company may have elected to pay Mr Weston an equal amount to that proportion of his salary equivalent to 6 months' pay in lieu of notice, together with any outstanding entitlements due to him. The Company may have, at any time, by notice in writing terminated Mr Weston's contract immediately in the event of serious misconduct. Mr Weston resigned on 1 June 2015 as Chairman and Chief Executive Officer of Agenix Limited but remains a director of the wholly owned subsidiary Agenix Biopharmaceutical (Shanghai) Co Limited and an employee of Agenix Limited to enable the completion of transactions of which he was an integral part. The Company and Mr Weston have agreed termination arrangements and it is anticipated that he will cease employment once the repatriation of funds from China is completed.

The employment conditions of Mr Gary Taylor, Chief Financial Officer and Company Secretary are formalised in consulting contracts. The current contracts with Mr Taylor commenced on 31 March 2012. Mr Taylor's appointment with the Company may be terminated with the Company giving 1 months' notice or by Mr Taylor giving 1 months' notice. The Company may elect to terminate the consulting contracts with Mr Taylor and pay any outstanding entitlements due under the contracts. The Company may, at any time, by notice in writing terminate Mr Taylor's contracts immediately in the event of serious misconduct.

Agenix Biopharmaceutical (Shanghai) Co Limited

The employment conditions of Mr John Yue, Manager, New Drugs were formalised in a contract of employment. The employment contract with Mr Yue commenced on 1 April 2012. Mr Yue's appointment with the entity may have been terminated with the entity giving 1 months' notice or by Mr Yue giving 1 months' notice. The entity may have elected to pay Mr Yue an equal amount to that proportion of his salary equivalent to 1 month's pay in lieu of notice for every year of service or part thereof, together with any outstanding entitlements due to him. The entity may, at any time, by notice in writing terminate Mr Yue's contract immediately in the event of serious misconduct. Mr Yue's position was made redundant on 30 September 2014 following the completion of the sale of AGX-1009.

Non-executive officer remuneration

Agenix Limited

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to security holders.

Non-executive director remuneration is determined within the aggregate Directors fee pool, which is periodically recommended for approval by security holders. The latest determination was at an Extraordinary General Meeting held on 17 April 2007 when security holders approved an aggregate remuneration of \$500,000 per annum.

Each Director receives a fee for being a Director of the Company. No additional fees are paid for Board committee membership. Should a Director be requested by the Chairman to undertake review work additional to normal Board and Board committee work, the Director receives additional fees based on

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

commercial hourly rates. However, the additional fees will not result in the aggregate amount of Directors' fees approved by security holders being exceeded.

Agenix Biopharmaceutical (Shanghai) Co Ltd.

The Directors of Agenix Biopharmaceutical (Shanghai) Co Limited but do not receive any additional fees in respect of this appointment.

Additional disclosure relating to key management personnel

Security holding

The number of securities in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/other	Balance the at end of the year
Ordinary securities					
C Chapman	21,739,051	3,172,413	-	-	24,911,464
N Weston ¹	1,013,955	-	-	(1,013,955)	-
C McNamara	401,016	-	-	-	401,016
A Lee ²	1,485,187	-	-	(1,485,187)	-
A Gallagher ³	-	-	-	7,600,000	7,600,000
	24,639,209	3,172,413	-	5,100,858	32,912,480

¹ Disposals/other represent securities held by Nicholas Weston when he ceased to be part of key management personnel.

² Disposals/other represent securities held by Anthony Lee when he ceased to be part of key management personnel.

³ Disposals/other represent an indirect interest in securities held by Scintilla Strategic Investments Limited a party related to Adam Gallagher.

Other than stated above no other KMP hold ordinary securities.

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Option holding					
The number of options over ordinary securities in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:					
	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options					
N Weston ¹	562,185	-	-	(562,185)	-
C McNamara	98,619	-	-	(98,619)	-
A Lee	588,689	-	-	(588,689)	-
C Chapman	9,244,525	-	-	(9,244,525)	-
	10,494,018	-	-	(10,494,018)	-
¹ Expired/ forfeited/other represents 200,000 options with an exercise price of \$0.0225 that expired on 4 January 2015. All other options lapsed on 30 June 2015 with an exercise price of \$0.05.					
In addition to the above A Gallagher held an indirect interest in 637,500 options at the time of his appointment as a non-executive director on 1 June 2015 which lapsed on 30 June 2015.					
Other than stated above no other KMP holds ordinary securities or options in the company.					
Other transactions with key management personnel and their related parties					
The following transactions were made with key management personnel or their related parties during or since the end of the financial year.					
Unsecured Loans					
Party	Amount owing 30 June 2015		Amount owing as at the date of this report		Interest Rate
	\$		\$		%
Reefpeak Pty Limited ¹	250,000		250,000		8
Anthony Lee	250,000		250,000		8
Scintilla Strategic Investments Limited ²	100,000		150,000		8
Nicholas Weston	80,300		80,300		8

¹ A company associated with Mr Craig Chapman

² A company associated with Mr Adam Gallagher

In addition to the above Mr Anthony Lee advanced the sum of RMB 50,000 (\$AUD 8,705) in July 2014 to assist the working capital of ABSL. This loan was unsecured and interest free and repaid in full in August 2014.

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Transactions with related parties:		2015	2014
		\$	\$
1. Rent			
Rental contribution paid or payable to Mr N Weston for provision of office and all associated facilities pursuant to his contract of employment for an amount not exceeding \$1,250 per calendar month plus GST.		13,625	15,000
2. Interest expense			
Interest payable at 8% per annum in respect of unsecured loans advanced by Directors, senior management and their related parties during the year.		34,739	3,403
3. Unsecured loans received			
Unsecured loans advanced to the company by directors and their related parties during the year.		464,005	275,000
4. Unsecured loans repaid			
Unsecured loans advanced to the company by directors and repaid during the year.		8,705	50,000
5. Issue of securities in lieu of directors fees			
Issue of 3,172,413 ordinary securities to Reefpeak Pty Limited an entity associated with Mr Craig Chapman in lieu of directors fees.		46,000	-
6. Legal and Strategic Services			
Mr Nick Weston through his legal practice, Nicholas Weston, Lawyers rendered fees for services totalling \$104,500 during the year of which \$10,000 will, subject to shareholder approval be settled by way of issue of securities. In addition Nicholas Weston and the Company have entered into an agreement to defer payment of \$80,300 of these fees by entering into a loan agreement. This loan is unsecured, bears interest at 8% per annum and is repayable with 10 days upon obtaining approval for the repatriation of funds from China.		104,500	-

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

2015
\$

2014
\$

Amounts owing to related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

a. Current payables

Amounts due to Directors and or their related entities in respect of directors' fees, superannuation, interest and expenses.

92,346 96,723

c. Financial liabilities

Unsecured loan from Reefpeak Pty Limited an entity associated with Craig Chapman bearing interest at 8% per annum and repayable on completion of repatriation of funds from China or subject to shareholder approval converted to equity.

250,000 125,000

Unsecured loan from Anthony Lee bearing interest at 8% per annum and repayable on completion of repatriation of funds from China or subject to shareholder approval converted to equity.

250,000 100,000

Unsecured loan from Scintilla Strategic Investments Limited an entity associated with Adam Gallagher bearing interest at 8% per annum and repayable on completion of repatriation of funds from China

100,000 -

Unsecured loan from Nicholas Weston, bearing interest at 8% per annum and is repayable with 10 days upon obtaining approval for the repatriation of funds from China.

80,300 -

Analysis of current payables

Current payable as at reporting date, excluding loans, to KMP and their related parties are as follows:

2015
\$

2014
\$

Reefpeak Pty Limited - Craig Chapman¹

11,773 5,778

Nicholas Weston, Lawyers, - Nicholas Weston²

17,030 17,091

Christopher McNamara³

55,435 20,393

Anthony Lee⁴

5,167 43,262

Scintilla Strategic Investments Limited - A Gallagher⁵

274 -

D G Capital Partners Pty Limited – A Gallagher⁶

2,667 -

92,346 96,723

¹ Directors fees and out of pocket expenses

² Directors fees, superannuation, rent and services rendered

³ Directors fees and superannuation payable

⁴ Directors fees, superannuation payable and out of pocket expenses

⁵ Interest payable

⁶ Directors Fees

Other than the transactions detailed above, no other transactions were made with key management personnel or their related parties during or since the end of the financial year.

AGENIX LIMITED
REMUNERATION REPORT (AUDITED) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2015

Other Services

Legal and Strategic Services – Mr Nick Weston through his legal practice, Nicholas Weston, Lawyers rendered fees for services totalling \$104,500 (2014: Nil) during the year of which \$10,000 will, subject to shareholder approval be settled by way of issue of securities. In addition Nicholas Weston and the Company have entered into an agreement to defer payment of \$80,300 of these fees by entering into a loan agreement. This loan is unsecured, bears interest at 8% per annum and is repayable with 10 days upon obtaining approval for the repatriation of funds from China.

End of Remuneration Report

DECLARATION OF INDEPENDENCE BY C R JENKINS TO THE DIRECTORS OF AGENIX LIMITED

As lead auditor of Agenix Limited for the year ended 30 June 2015, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Agenix Limited and the entities it controlled during the period.



C R Jenkins
Director

BDO Audit Pty Ltd

Brisbane, 31 August 2015

AGENIX LIMITED
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	Consolidated 2015 \$	2014 \$
Revenue	4	7,657	28,190
Depreciation and amortisation expense	5(d)	(516)	(8,360)
Employee benefit expense	5(e)	(291,960)	(482,884)
Finance costs	5(b)	(34,739)	(3,403)
Foreign exchange gains (losses)	5(c)	46,056	(4,483)
Occupancy and administrative expenses		(301,743)	(293,576)
Research & development expenses	5(a)	-	(40,063)
Fair value of OKS settlement	19	(198,600)	-
Loss before income tax expense from continuing operations		(773,845)	(804,579)
Income tax expense	6	-	-
Loss for the year after tax from continuing operations		(773,845)	(804,579)
Profit after income tax from discontinued operations	7	(309,601)	1,590,739
Profit (Loss) after income tax expense for the year		(1,083,446)	786,160
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign controlled entities		280,124	3,832
Other comprehensive income for the year, net of tax		280,124	3,832
Total comprehensive income for the year		(803,322)	789,992
Profit (Loss) attributed to owners of Agenix Limited		(1,083,446)	786,160
Total Comprehensive Income attributed to owners of Agenix Limited		(803,322)	789,992
Earnings per share for loss from continuing operations attributable to the owners of Agenix Limited			
Basic earnings	18	(\$0.0057)	(\$0.0066)
Diluted earnings	18	(\$0.0057)	(\$0.0066)
Earnings per share for profit/ (loss) from discontinued operations attributable to the owners of Agenix Limited			
Basic earnings	18	(\$0.0023)	\$0.0131
Diluted earnings	18	(\$0.0023)	\$0.0107
Earnings per share for profit/(loss) from attributable to the owners of Agenix Limited			
Basic earnings	18	(\$0.0080)	\$0.0065
Diluted earnings	18	(\$0.0080)	\$0.0053

The accompanying notes should be read in conjunction with these financial statements.

AGENIX LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	Consolidated	
		2015	2014
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	11	1,668,559	27,944
Trade and other receivables	12	15,003	6,752
Prepayments		-	3,664
		1,683,562	38,360
Assets of discontinued operations classified as held for sale	7	11,257	2,046,809
TOTAL CURRENT ASSETS		1,694,819	2,085,169
NON-CURRENT ASSETS			
Property, plant and equipment	14	-	7,130
TOTAL NON-CURRENT ASSETS		-	7,130
TOTAL ASSETS		1,694,819	2,092,299
CURRENT LIABILITIES			
Trade and other payables	15	161,158	193,835
Financial liabilities	16	680,300	225,000
		841,458	418,835
Liabilities directly associated with assets classified as held for sale	7	4,642	286,385
TOTAL CURRENT LIABILITIES		846,100	705,220
TOTAL LIABILITIES		846,100	705,220
NET ASSETS		848,719	1,387,079
EQUITY			
Issued capital	17	77,454,998	77,190,398
Share based payment reserve	17	4,663,998	4,663,636
Foreign currency translation reserve	17	177,282	(102,842)
Accumulated losses		(81,447,559)	(80,364,113)
TOTAL EQUITY		848,719	1,387,079

The accompanying notes should be read in conjunction with these financial statements

AGENIX LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

Consolidated

	Note	Issued Capital	Accumulated losses	Share based payment reserve	FX translation reserve	Total equity
		\$	\$	\$	\$	\$
Balance at 1 July 2013		76,806,100	(81,150,273)	4,661,780	(106,674)	210,933
Total comprehensive income for the year:						
Profit for the year		-	786,160	-	-	786,160
Other comprehensive income:						
Foreign currency translation reserve differences		-	-	-	3,832	3,832
Total comprehensive income for the year		-	786,160	-	3,832	789,992
Transactions with owners in their capacity as owners:						
Securities issued during the year, net of transaction costs		384,298	-	-	-	384,298
Share based payments		-	-	1,856	-	1,856
		384,298	-	1,856	-	386,154
Balance at 30 June 2014	17	77,190,398	(80,364,113)	4,663,636	(102,842)	1,387,079
Total comprehensive income for the year:						
Loss for the year		-	(1,083,446)	-	-	(1,083,446)
Other comprehensive income:						
Foreign currency translation reserve differences		-	-	-	280,124	280,124
Total comprehensive income for the year		-	(1,083,446)	-	280,124	(803,322)
Transactions with owners in their capacity as owners:						
Securities issued during the year, net of transaction costs		66,000	-	-	-	66,000
Fair value of securities issued -OKS	19	198,600				198,600
Share based payments	5e, 19	-	-	362	-	362
		264,600	-	362	-	264,962
Balance at 30 June 2015	17	77,454,998	(81,447,559)	4,663,998	177,282	848,719

The accompanying notes should be read in conjunction with these financial statements

AGENIX LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	Consolidated	
		2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,016	25,093
Payments to suppliers and employees		(817,897)	(785,974)
Payments relating to research and development		(78,066)	(98,346)
Interest received - bank		5,633	2,877
Finance costs		(36,749)	(1,721)
Net cash provided by (used in) operating activities	11	(925,063)	(858,071)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of intangible assets		2,079,124	-
Payments for costs on sale of intangible assets		(238,501)	-
Net cash provided by (used in) investing activities		1,840,623	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		470,582	275,000
Repayment of borrowings		(95,582)	(50,000)
Net cash provided by (used in) financing activities		375,000	225,000
Net increase (decrease) in cash held		1,290,560	(633,071)
Cash at beginning of financial year		27,944	654,399
Effect of exchange rate of cash held in foreign currencies		350,055	6,616
Cash at end of financial year	11	1,668,559	27,944

The accompanying notes should be read in conjunction with these financial statements

AGENIX LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amended Accounting Standards and Interpretations adopted

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

Agenix has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 2 'Share-based Payment': clarifies the definition of 'vesting condition' by separately defining a 'performance condition' and a 'service condition' and amends the definition of 'market condition'; AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit orientated entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available for sale financial assets and financial assets and liabilities at fair value through the profit and loss.

Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary Information about the parent entity is disclosed in Note 10.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant accounting policies (continued)

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all the subsidiaries of Agenix Limited ('company or parent entity') as at 30 June 2015 and the results of all subsidiaries for the year then ended. Agenix Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or 'Group'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 consolidated entity. They are de-consolidated from the date that control ceases.

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

Operating segments

Operating segments are presented using the 'management approach' where the information presented is on the same basis as the internal reports presented to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Agenix Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant accounting policies (continued)

Income tax

The income tax expense or benefit for the period is the tax payable on the that period's taxable income based upon the applicable income tax rate for each jurisdiction, adjusted for changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised in prior periods, where applicable.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses. No deferred tax assets have been recognised at reporting date.

Agenix Limited (the 'head entity') and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each individual subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within the group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

The head entity has significant unused tax losses which have not been recognised as a deferred asset at this time as a result no assets or liabilities arise under tax funding agreements with the consolidated tax entity. In the event that the tax consolidated group derives sufficient future taxable amounts to recoup unused tax losses, the tax funding arrangement will ensure that the intercompany charge equals the then tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Discontinued operations

A discontinued operation is a component of the consolidated entity has been disposed of or is classified as held for sale and that represents a separate major line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting date; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Agenix has not at any time during or since the end of the reporting period obtained bank overdraft facilities.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant accounting policies (continued)

Trade and other receivables

Trade and other receivables primarily consist of amounts due to the consolidated entity in respect of the refund of input tax credits claimed under the 'Good and Services Tax' regime or similar taxes in overseas jurisdictions. These receivables are recognised at amortised cost, less any provision for impairment.

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying value will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of the disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current asset and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives of between 2 and 5 years.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Leases

The consolidated entity does not have any finance lease commitments. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets. The risks and benefits under operating leases remain with the lessor.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Intangible Assets

Patents and trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life ranging from 5 to 10 years. Patents relating to the research phase of a project are expensed at the time of incurring the cost, as the future value of the patent cannot be determined.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant accounting policies (continued)

Development costs

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

DiagnostIQ®

In 2013 the Group acquired the rapid point-of-care human diagnostic technology by way of a share exchange transaction to licence the exclusive world-wide royalty free rights of the human health applications for Tyrian Diagnostic Limited's proprietary DiagnostIQ® rapid point-of-care test platform. Upon acquisition the Group assessed whether or not the licence fee payable was capable of being treated as an intangible asset in accordance with the applicable accounting standard (AASB 138). The Group formed the view that not all tests required to be met could be met in accordance with the accounting standard and as a result the licence fee was expensed directly to the profit and loss. The share exchange was completed in the 2014 financial year.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the consolidated entity prior to the end of the reporting period and which are unpaid. Due to the short term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred including interest on borrowings regardless of term.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, and it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in provision resulting from the passage of time is recognised as a finance cost.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant accounting policies (continued)

Employee benefits

Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long term employee benefits

No other long term benefits which are required to be recognised as non-current liabilities exist as at the date of this report or the reporting period.

Share based payments

Equity settled share-based compensation benefits are provided to employees.

Equity settled transactions are awards of securities, or options over securities, which are provided to employees in exchange for the rendering of services. Cash settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by the price of the securities.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. Fair value is independently determined using the Black-Scholes pricing option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the securities price at grant date and expected price volatility of the underlying securities, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of other vesting provisions, if any.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions and considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of the modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or the employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Agenix has not entered into any cash settled equity transactions during or since the reporting period.

Issued Capital

Ordinary securities are classified as issued capital.

Incremental costs directly attributable to the issue of new securities or options are shown in equity as a deduction, net of tax, from the proceeds.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant accounting policies (continued)

Earnings per security

Basic earnings per security is calculated by dividing the profit (loss) attributable to the owners of Agenix Limited excluding any costs of servicing equity other than ordinary securities, by the weighted average number of ordinary securities outstanding during the reporting period, adjusted for bonus elements or share consolidation elements in ordinary securities issued during the reporting period.

Diluted earnings per security adjusts the figures used in the determination of basic earnings per security to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary securities and the weighted average number of securities assumed to have been issued for no consideration in relation to dilutive potential ordinary securities.

Goods and services tax (GST) and foreign based value added tax (VAT)

Revenues, expenses and assets are recognised net of the amount of associated GST or VAT, except where the amount of GST or VAT incurred is not recoverable from the appropriate Taxation Authority. In these circumstances the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST or VAT, where applicable. The net amount recoverable from or payable to the tax authority is shown as other receivable or other payable in the statement of financial position.

Cash flows are presented on a gross basis. The GST or VAT, as applicable, components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments or contingencies are disclosed net of the amount of GST or VAT recoverable, or payable to the tax authority.

Note 2: Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on the historical experience and other various factors, including expectations of future events; management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The consolidated entity considers that its judgements, estimates and assumptions will not carry a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 3: Going concern

The Group's financial statements have been prepared and presented on a basis assuming it continues as a going concern.

In August 2014 the Group received the equivalent of \$2,079,124 before costs from the sale of its AGX-1009 project in its Chinese subsidiary Agenix Biopharmaceutical (Shanghai) Co Limited. The sale proceeds of AGX-1009 currently reside in China and the Chinese authorities have restrictions on foreign exchange transactions in RMB from China to other countries. All foreign transactions in China must be approved by the Chinese Authorities and may be subject to a quota. The processes required to repatriate the funds to Australia have commenced, however the timing is dependent upon obtaining all necessary approvals. Accordingly this cash has a significant restriction on its use.

The reported loss from continuing operations was \$773,845 (2014: \$804,579).

As at 30 June 2015 the Group had cash at bank totalling \$1,668,559 (2014: \$27,944) and whilst the Group has a net current asset position of \$1,694,819 this includes cash in China totalling \$1,628,092 which is subject to restrictions and is not available to meet immediate cash needs.

The Group's ability to continue as a going concern is dependent on its ability to repatriate the proceeds from China, access borrowings, raise additional capital and access to the Baycrest Continuous Investment Agreement which provides funding, subject to the terms of the agreement, of up to \$3,000,000 over 36 months commencing on 31 January 2013.

The going concern basis of accounting contemplates the continuity of normal business activities, including the realisation of assets and settlement of liabilities in the normal course of business.

The Board believes that the Group will be able to repatriate the proceeds from China, continue to access short term borrowings or raise new equity capital to fund its business plans by way of a rights issue or capital raising from existing and potential cornerstone investors.

Should the Group not be successful in achieving these mitigating factors, the Group may not be able to continue as a going concern. Furthermore, the ability of the Group to continue as a going concern is subject to the ability of the Group to successfully develop and commercialise the products being developed. If the Group is unable to obtain funding of an amount and timing necessary to meet its future operational plans, or to successfully commercialise its intellectual property, the Group may be unable to continue as a going concern. No adjustments have been made relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 4: Revenue

	Note	Consolidated	
		2015	2014
		\$	\$
Licence fees		2,024	25,382
Interest received - bank		5,633	2,808
Total revenue		7,657	28,190

Note 5: Expenses

a. Research & development expensed as incurred			
ThromboView®		-	28,563
DiagnostIQ®		-	11,500
		-	40,063
b. Finance costs			
Interest paid or payable		34,739	3,403
		34,739	3,403
c. Foreign exchange (gain)/loss			
Realised foreign currency translation losses (gains) (net)		(1,298)	1,394
Unrealised foreign currency translation losses (gains) (net)		(44,758)	3,089
		(46,056)	4,483
d. Depreciation and amortisation			
Depreciation of non-current assets	14	516	8,360
		516	8,360
e. Employee benefit expense			
Wages and salaries		291,548	451,275
Compulsory superannuation and pension contributions		5,583	17,255
Share based payment expense		362	1,857
Workers compensation insurance		57	716
Fringe benefits tax		(5,590)	11,781
		291,660	482,884
f. Significant revenue and expenses			
Reversal of impairment of intangible asset		-	(1,135,498)
Research & development expensed as incurred	5a.	-	40,063
Employee benefit expense	5e.	291,660	482,884
Fair value of OKS Settlement		198,600	-
		490,560	(612,551)

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 6: Income tax expense

	Note	Consolidated	
		2015	2014
		\$	\$
The prima facie tax, using tax rates applicable in the country of operation, on profit (loss) differs from the income tax provided in the financial statements as follows:			
Profit (Loss) before tax from continuing operations		(773,845)	(804,579)
Profit (Loss) before tax from discontinued operations - China		(283,347)	1,590,739
Profit (Loss) before tax from discontinued operations - Australia		(26,254)	-
Profit (Loss) before Tax		(1,083,446)	786,160
Prima facie tax on profit (loss) from ordinary activities before income tax at Australian tax rate 30% (2014: 30%)		(232,154)	(241,374)
Prima facie tax on profit (loss) from discontinued operations before income tax at Chinese tax rate 25% (2014: 25%)		(70,837)	397,685
Prima facie tax on profit (loss) from discontinued operations before income tax at Australian tax rate 30% (2014: 30%)		(7,876)	-
		(310,867)	156,311
Tax effect of:			
— share based expense payments during year		109	557
— Fair value of OKS settlement		59,580	
— Other items not deductible/ taxable		110	(283,665)
Deferred tax assets not recognised as recoverability is not probable		251,068	126,797
Income tax expense		-	-
Deferred tax assets are not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1 occur.			
Origination and reversal of temporary timing differences		(73,949)	13,232
Operating tax losses as at 30 June available to off-set future taxable income ¹		57,869,901	58,121,148
Capital tax losses as at 30 June to off-set future taxable capital gains		21,217,314	21,217,314

¹ As a result of commencing the liquidation of the subsidiary in China these available tax losses will not be recouped and therefore not be able to be used to off-set future taxable income and as such excluded from the carry forward losses set out above.

Australia taxation law (subject to eligibility criteria) has no time limit on the availability of losses carried forward to be offset against future assessable income.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 7: Discontinued operations

In April 2014 Agenix Biopharmaceutical (Shanghai) Co Limited (ABSL) entered into an agreement to sell its project AGX 1009 upon completion of pre-clinical trials. The proceeds of sale were received in August 2014.

The Directors determined that in order to repatriate the funds it was necessary to voluntarily liquidate ABSL. The timing of the completion is dependent upon the various Chinese government authorities which is beyond the control of the Group. As a result the operations of ABSL are treated as being discontinued and the assets (other than cash) and liabilities disclosed as held for sale at balance date.

In May 2015 shareholder approval was granted to assign all the intellectual property in Thromboview® to OKS AGX Inc. as part of the settlement in respect of the unserved writ lodged with the court. In July 2015 OKS AGX Inc. advised that it has exercised its discretion under the Settlement Deed not to proceed with the assignment of Thromboview®. As a result, the Board has determined that the intellectual property be offered for sale and therefore in accordance with accounting standards this major business line is treated as discontinued operations.

Financial performance information

	Consolidated					
	China	Thromboview	Total	China	Thromboview	Total
	2015	2015	2015	2014	2014	2014
	\$	\$	\$	\$	\$	\$
Interest received	-	-	-	69	-	69
Total revenue	-	-	-	69	-	69
Unrealised foreign exchange losses	(22,506)	-	(22,506)	(27,018)	-	(27,018)
Realised foreign exchange losses	-	(3,220)	(3,220)	-	(1,027)	(1,027)
Depreciation and amortisation	(2,514)	-	(2,514)	-	-	-
Research and development	-	(18,043)	(18,043)	(21,305)	(28,563)	(49,868)
Employee benefit expense	(111,517)	-	(111,517)	(169,580)	-	(169,580)
Corporate expenses	(89,925)	(4,991)	(94,416)	(86,954)	(28,251)	(115,205)
AGX-1009 assignment costs	(56,885)	-	(56,885)	-	-	-
Reversal of impairment of intellectual property	-	-	-	1,135,498	-	1,135,498
Total expenses	(283,347)	(26,254)	(309,601)	830,641	(57,841)	772,800
Profit (Loss) before income tax expense	(283,347)	(26,254)	(309,601)	830,710	(57,841)	772,869
Income tax expense	-	-	-	-	-	-
Profit (Loss) after income tax expense	(283,347)	(26,254)	(309,601)	830,710	(57,841)	772,869

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 7: Discontinued operations (continued)

Financial performance information (continued)

	Consolidated				
	China	Thromboview	Total	China	Thromboview
	2015	2015	2015	2014	2014
	\$	\$	\$	\$	\$
Profit on disposal before income tax	-	-	-	760,029	-
Income tax expense	-	-	-	-	-
Profit on disposal after income tax	-	-	-	760,029	-
Profit (Loss) after income tax expense on discontinued operations	(283,347)	(26,254)	(309,601)	1,590,739	(57,841)
Cash flow Information					
Net cash used in operating activities	(392,887)	(38,360)	(431,247)	(233,322)	(30,693)
Carrying amounts of assets and liabilities disposed					
Trade and other receivables	3,464	-	3,464	2,046,705	-
Prepayments	2,389	-	2,389	104	-
Plant and equipment	5,404	-	5,404	-	-
Total assets	11,257	-	11,257	2,046,809	-
Trade and other payables	-	4,642	4,642	199,470	-
Provisions	-	-	-	86,915	-
Total liabilities	-	4,642	4,642	286,385	-
Net assets	11,257	(4,642)	6,615	1,760,424	-
Details of the disposal					
Sale consideration	-	-	-	2,066,066	-
Carrying amount of intellectual property disposed	-	-	-	(1,135,498)	-
Disposal costs	-	-	-	(170,539)	-
Profit on disposal before income tax	-	-	-	760,029	-
Income tax expense	-	-	-	-	-
Profit on disposal after income tax	-	-	-	760,029	-

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 8: Segment information

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. In prior years the CODM determined that Agenix had three main operating segments:

- AGX -1009
- Thromboview®
- DiagnostiQ®

AGX -1009 was sold in April 2014 and proceeds received in August 2014.

Shareholder approval was granted in May 2015 for Thromboview® to be assigned to OKS AGX Inc. at their discretion in settlement of all claims relating to the 2007 share placement and the subsequent writ lodged with the Supreme Court of Victoria. In July 2015 Agenix received formal notification from OKS AGX Inc. that it has exercised its discretion under the settlement deed not to proceed with the assignment of Thromboview®. As a result the CODM have determined that renewed efforts be undertaken to offer the project for sale and as a result it is treated as being part of discontinued operations as at year end.

DiagnostiQ® has been placed into "care and maintenance mode". No revenue was earned or expenditure incurred in respect of DiagnostiQ® during the year.

The CODM have determined that Agenix now operates in one segment being seeking strategic alternatives with a view to increasing shareholder value and near term revenues. The Group does not have any products/services from which it derives significant revenue. All significant operating decisions are based upon analysis of the Group as one segment. The financial results from the segment are equivalent to the financial statements of the Group as a whole.

During the year extensive due diligence was undertaken on numerous opportunities none of which came to fruition which in part can be directly attributable to the uncertainty of potential litigation which has now been settled together with the timing of repatriation of funds from China which is still in progress.

Note 9: Auditors' remuneration

	Consolidated	
	2015	2014
	\$	\$
Remuneration of the auditor of the parent entity for:		
— auditing or reviewing the financial statements	40,013	40,989
	<u>40,013</u>	<u>40,989</u>

There was no remuneration paid or payable to the auditors for non-audit services.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 10: Parent entity information

The *Corporations Act* requirement to prepare parent entity financial statements where consolidated financial statements are prepared has been removed and replaced by regulation 2M.3.01 which requires the following limited disclosure in regards to the parent entity (Agenix Limited). The consolidated financial statements incorporate the assets, liabilities and results of the parent entity in accordance with the accounting policy described in Note 1.

Parent entity	2015	2014
	\$	\$
Current assets	54,474	36,685
Non-current assets ¹	1,135,973	1,194,170
Total assets	1,190,447	1,230,855
Current liabilities	912,655	396,645
Total liabilities	912,655	396,645
Net assets	277,792	834,210
Equity		
Issued capital	77,454,998	77,190,398
Share based payment reserve	4,663,998	4,663,636
Accumulated losses	(81,841,204)	(81,019,824)
Total equity	277,792	834,210
Profit/(loss) for the year ¹	(821,379)	189,821
Total comprehensive income for the year	(821,379)	189,821

1. The Company assessed the carrying values of non-current assets which comprise mainly investments in Subsidiaries and unsecured loans to subsidiaries as at 30 June 2015. In assessing the carrying value in 2014 consideration was given to the 2013 charge of \$2,266,116 being the provision of write down on the carrying value of the investment and loans was expensed to the Profit and Loss in that year. As a result of the successful divestment of AGX -1009 a reversal of impairment in respect of investments in subsidiaries and unsecured loans to subsidiaries totalling \$933,099 was made during the year ended 30 June 2014 which resulted in Agenix Limited recording a profit for that year.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 10: Parent entity information (continued)

Guarantees

Agenix Limited and its Australian controlled entities have entered into a Deed of Cross Guarantee (Refer Note 13).

The parties to the Deed of Cross Guarantee are:

Agenix Limited

Agen Limited

Agen Biomedical Limited

The effect of the Deed is that Agenix Limited has guaranteed to pay any deficiency in the event of the winding up of the Australian controlled entities and the Australian controlled entities have guaranteed to pay any deficiency in the event of winding up of Agenix Limited. Agen Inc. and Agenix Biopharmaceutical (Shanghai) Company Limited, each being overseas subsidiaries are not subject to the Deed of Cross Guarantee.

Contractual commitments

There were no contractual commitments for the acquisition of property, plant and equipment entered into by the parent entity at 30 June 2015 (2014 - \$nil).

Contingent liabilities

At the date of this report no contingent liability exists in relation to the Deed of Cross Guarantee.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 11: Cash and cash equivalents

	Consolidated	
	2015	2014
	\$	\$
Cash at bank and in hand	1,668,559	27,944
Cash and cash equivalents	1,668,559	27,944

Cash at bank and in hand held in Australia is non-interest bearing. Cash at bank in China bear floating interest rate of 0.35% (2014: 1.4% and 3.5%). These accounts are at call. This includes cash in China totalling \$1,628,092 which is subject to restrictions and is not available to meet immediate cash needs.

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the Statement of Financial Position as follows:

Cash and cash equivalents	1,668,559	27,944
Reconciliation of the net profit (loss) after tax to the net cash flows from operations		
Net profit (loss) after income tax	(1,083,446)	786,160
Non-cash items		
Depreciation of non-current assets	516	8,360
Reversal of impairment AGX - 1009	-	(1,135,498)
Share based payment expense	362	1,857
Fair value of OKS settlement	198,600	-
Equity settled expenditure	66,000	46,298
Equity settled – DiagnostIQ® licence fee	-	338,000
Unrealised net foreign currency (gains) losses	(44,759)	3,088
Gain on disposal of AGX-1009	-	(760,028)
Other	(25,072)	129,371
Changes in assets and liabilities		
Decrease (increase) in receivables	(8,251)	3,648
Decrease (increase) in prepayments and other current assets	3,664	41,284
(Decrease) increase in payables	(32,677)	(320,611)
Net cash provided by (used in) operating activities	(925,063)	(858,071)

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 12: Trade and other receivables

	Consolidated	
	2015	2014
	\$	\$
Taxation office receivables	15,003	6,752
	<u>15,003</u>	<u>6,752</u>

Taxation office receivables

This represents the amount due from the Australian Taxation Office in respect of GST and the equivalent value added taxes in overseas jurisdictions.

Note 13: Controlled entities

		Country of Incorporation	Percentage Owned (%)*	
a.			2015	2014
	Subsidiaries of Agenix Limited:			
	Agenix Biopharmaceutical (Shanghai) Company Limited (in liquidation)	Peoples Republic of China	100	100
	Agen Limited	Australia	100	100
	Agen Biomedical Limited	Australia	100	100
	Agen Inc.	United States	100	100

** Percentage of voting power is in proportion to ownership*

- b. Pursuant to Class Order 98/1418 dated 5 May 1999, relief has been granted to all of the above controlled entities of Agenix Limited, that were incorporated in Australia ('closed group') from the *Corporations Act 2001* requirement for the preparation, audit and lodgement of their financial reports.
- c. Agenix Limited and the controlled entities subject to the Class Order, being the closed group, have entered into a Deed of Cross Guarantee. The effect of the Deed is that Agenix Limited has guaranteed to pay any deficiency in the event of winding up of the controlled entities and the controlled entities have guaranteed to pay any deficiency in the event of the winding up of Agenix Limited. Agen Inc. and Agenix Biopharmaceutical (Shanghai) Company Limited are not subject to the Deed of Cross Guarantee.
- d. Agenix Biopharmaceutical (Shanghai) Co Limited is currently in the process of liquidation. Under Chinese law the company is deemed to be active until the relevant authorities cancel all registrations. The timing of the completion of the liquidation is dependent upon obtaining approvals from the relevant authorities and as such beyond the control of the Group. It is anticipated based upon latest advice that the repatriation of funds will occur prior to 31 December 2015 assuming all approvals are obtained in a timely manner.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 13: Controlled entities (continued)

	Closed Group	
	Parties to Deed of Cross Guarantee	
	2015	2014
	\$	\$
Financial information in relation to:		
i. Statement of Profit and Loss and Other Comprehensive Income		
Profit / (loss) before income tax ¹	(805,731)	131,015
Income tax expense	-	-
Profit / (loss) after income tax	(805,731)	131,015
Profit / (loss) attributable to members of the parent entity	(805,731)	131,015
Other comprehensive income	-	-
Total comprehensive income for the year ¹	(805,731)	131,015
ii. Accumulated Losses		
Accumulated losses at the beginning of the year	(81,084,170)	(81,215,185)
Profit (Loss) after income tax	(805,731)	131,015
Accumulated losses at the end of the year	(81,889,901)	(81,084,170)

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 13: Controlled entities (continued)

	Closed Group	
	Parties to Deed of Cross Guarantee	
	2015	2014
	\$	\$
iii. Statement of Financial Position		
CURRENT ASSETS		
Cash and cash equivalents	40,467	27,277
Trade and other receivables	15,003	6,752
Prepayments	-	3,664
Assets held for resale ¹	1,017,145	-
TOTAL CURRENT ASSETS	1,072,615	37,693
NON-CURRENT ASSETS		
Investment in subsidiary ¹	-	202,674
Receivables ¹	-	945,711
Property, plant and equipment	-	516
TOTAL NON-CURRENT ASSETS	-	1,148,901
TOTAL ASSETS	1,072,615	1,186,594
CURRENT LIABILITIES		
Trade and other payables	163,220	191,730
Financial liabilities	680,300	225,000
TOTAL CURRENT LIABILITIES	843,520	416,730
TOTAL LIABILITIES	843,520	416,730
NET ASSETS	229,095	769,864
EQUITY		
Issued capital	77,454,998	77,190,398
Share based payment reserve	4,663,998	4,663,636
Accumulated losses	(81,889,901)	(81,084,170)
TOTAL EQUITY	229,095	769,864

1. The investment in subsidiary and non-current receivables represents the carrying values of the wholly owned subsidiary in China. The liquidation of the subsidiary has commenced and therefore treated as discontinued operations and classified as assets for resale in the current year. No adjustment was made to the carrying value of the asset in the current year due to uncertainty of the final amount to be recovered as a result of exchange rate volatility. As at the date of this report the amount expected to be recovered exceeds the carrying value.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 14: Property, plant and equipment

	Consolidated	
	2015	2014
	\$	\$
Plant and equipment:		
At cost	13,184	75,857
Accumulated depreciation	(13,184)	(68,727)
	-	7,130

The useful life of assets for years 2015 and 2014 was estimated as follows:

Plant & Equipment over 2 to 5 years.

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Note	Consolidated	
		2015	2014
		\$	\$
Plant and equipment as at 1 July, net of accumulated depreciation and amortisation:		7,130	15,632
Disposals - net		(6,614)	-
Depreciation	5	(516)	(8,360)
Net effect of movement in exchange rate		-	(142)
Plant and equipment as at 30 June, net of accumulated depreciation and amortisation		-	7,130

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 15: Trade and other payables

	Note	Consolidated	
		2015	2014
		\$	\$
Current			
Trade payables ¹	i.	47,453	75,419
Sundry payables and accrued expenses ¹	ii.	113,705	118,416
		<u>161,158</u>	<u>193,835</u>

Terms and conditions relating to trade and other payables

- i. Trade payables are non-interest bearing and are settled on normal commercial terms.
- ii. Sundry payables and accrued expense are non-interest bearing and have an average term of 6 months.

¹ A total of \$24,000 in respect of trade payables and accrued expenses is, subject to shareholder approval, due to be settled by the issue of ordinary securities in accordance with the agreements reached with the various parties.

Note 16: Financial liabilities

	Note	Consolidated	
		2015	2014
		\$	\$
CURRENT			
Balance at beginning of year		225,000	-
Interest bearing loans received during the year - unsecured	(i)	375,000	275,000
Non-interest bearing loans received during the year	(ii)	95,582	-
Loans repaid during the year	(ii)	(95,582)	(50,000)
Amount payable to director converted to interest bearing loan during the year	(iii)	80,300	-
Balance at year end		<u>680,300</u>	<u>225,000</u>

Terms and conditions relating financial liabilities

- (i) Directors Craig Chapman, Anthony Lee and Adam Gallagher and or their related entities have advanced unsecured loan funds during the year to ensure that the Company can meet its obligations. These loans bear interest at 8% per annum. These loans are subject to repayment upon the repatriation of funds from China and may be converted, subject to shareholder approval, to equity.
- (ii) Non-interest bearing loans to the Chinese subsidiary during the year for a short period to enable settlement of the AGX-1009 and repaid in full.
- (iii) Mr Nicholas Weston agreed to convert monies due to him on resignation to an unsecured loan to be paid once the repatriation of funds from China is completed. The loan bears interest at 8% per annum.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 17: Capital and reserves

Share capital

	Consolidated	
	2015	2014
	\$	\$
149,030,675 (2014: 130,947,876) ordinary securities	82,873,961	82,609,361
Less: 1,354,741 (2014: 1,354,741) escrowed securities to SHRG vendors	(5,418,963)	(5,418,963)
147,675,934 (2014: 129,593,135) fully paid ordinary securities	<u>77,454,998</u>	<u>77,190,398</u>

The Company adopted a new replacement constitution at an extraordinary meeting of security holders held on 17 April 2007. The constitution in line with current corporations law does not require the Company to have an authorised amount of capital. Also, securities have no par value.

Ordinary securities participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of securities held. At the security holders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each Security holder has one vote on a show of hands.

The following ordinary securities have been allotted during the year:

	Note	Consolidated			
		2015	2014	2015	2014
		\$	\$	No.	No.
Ordinary securities					
At the beginning of reporting period		77,190,398	76,806,100	130,947,876	112,472,139
Placement in satisfaction of DiagnostIQ licence fee		-	338,000	-	16,371,177
Issue of securities for services rendered		20,000	46,298	1,670,386	2,104,560
Issue of securities in lieu of directors fees		46,000	-	3,172,413	-
Issue of securities in settlement of OKS AGX Inc. dispute	(a)	198,600	-	13,240,000	-
Balance as at 30 June		<u>77,454,998</u>	<u>77,190,398</u>	<u>149,030,675</u>	<u>130,947,876</u>

- (a) In May 2015 shareholder approval was granted to issue 13,240,000 ordinary securities to OKS AGX Inc. This approval formed part of the settlement deed entered into by the Company with OKS AGX Inc. in full settlement of all claims arising from the 2007 placement arranged by the previous board and management. No cash proceeds were received in consideration of these securities. In accordance with AASB 2 Share based payment a fair value was required to be assigned to this transaction. Where a fair value cannot estimate reliably the fair value of the goods or services received, the company was required to measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 17: Capital and reserves (continued)

Options

Listed Options

20,579,019 listed options with an exercise price of \$0.05 per share expired on 30 June 2015. No listed options are currently on issue.

Unlisted Options

At 30 June 2015 there were no unlisted options on issue.

During the year the following unlisted options expired:

	Date issued	Expiry date	Vesting date	Number Expired	Exercise price \$
Employee	4 January 2013	4 January 2015	4 January 2014	200,000	0.0225
Directors	27 June 2013	30 June 2015	27 June 2013	1,521,740	0.0500
C Note	27 June 2013	30 June 2015	27 June 2013	5,000,000	0.0500

Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the security holders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to security holders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year. This strategy is to try to ensure that the Group's gearing ratio remains between 0% and 60%. During the year the directors advanced unsecured loan funds to the company to ensure that it could remain a going concern. These loan funds resulted in exceeding the debt ratio, however it was consider prudent for the directors to fund the company pending the receipt of settlement funds from the disposal of AGX – 1009 rather than seek additional capital or external debt.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 17: Capital and reserves (continued)

Loan to SHRG vendors

Loan to SHRG vendors is for the acquisition of 1,354,741 (2014: 1,354,741) ordinary securities which are escrowed as detailed above. Interest of 8% per annum is chargeable on the outstanding balance. The loan is repayable in full upon sale of the securities. The Company is required to pay the net proceeds after netting off the amount of the Security holder loan plus accrued interest to the date of sale outstanding in relation to those securities to the Security holder. This loan has not been recorded in the statement of financial position as the loan and issue of securities related to the original 2007 China acquisition. Based upon the closing share price as at 30 June 2015 the value of the securities, being the underlying security, amounted to \$16,257. The Group is reserving its position on what action may be undertaken to extinguish the loan and cancel or buy back the securities without any significant cost to the Group.

	Consolidated	
	2015	2014
	\$	\$
Balance at beginning of year	5,418,963	5,418,963
Net advances/repayments	-	-
Balance at end of year	5,418,963	5,418,963

Significant Transactions after Balance Date

The Company has not issued ordinary securities since balance date.

Reserves

Share based payment reserve

The share based payment reserve records items recognised as expenses on valuation of employee share options.

Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiaries.

Dividends

No dividend has been paid or proposed by the Company in relation to the year ended 30 June 2015 (2014: Nil).

Franking account balance

The consolidated tax group which consists of the parent entity and Australian subsidiaries has a franking account balance of \$537,967 (2014: \$537,967).

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 18: Profit (Loss) per security

The following income and share data has been used in the basic and diluted earnings per security computations:

	Consolidated	
	2015	2014
	\$	\$
Loss after income tax from continuing operations	(773,845)	(804,579)
Profit / (Loss) after income tax from discontinued operations	(309,601)	1,590,739
Profit / (Loss) attributable to the owners of Agenix Limited	(1,083,446)	786,160
	Consolidated	
	2015	2014
	No of securities	No of securities
Weighted average number of ordinary securities used in calculations of basic earnings per share	134,606,103	121,228,803
Weighted average number of ordinary securities used in calculations of diluted earnings per share	134,606,103	148,769,632

Options granted are considered to be potential ordinary securities and have been assessed in the determination of diluted earnings per security. As the Group has incurred losses during the year, the options are not dilutive and have not been taken into account in the calculation of diluted earnings per security.

There have been no issues of ordinary securities between the reporting date and the date of this report.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 19: Share-based payments

The following share-based payment arrangements existed at 30 June 2015:

At the 2010 Annual General Meeting held on 26 November 2010, security holders approved the establishment of a new directors and executives equity plan known as the Corporate Equity Plan. Under the plan all directors, executives, staff and consultants approved by the board of the Group are eligible to be issued with options over the ordinary securities of Agenix Limited. Options are issued at the discretion of the board at an exercise price determined by the Board having regard to the weighted average market price of the underlying securities and the individual particular circumstances of each grant. The options are issued for a maximum term of six years and have a maximum vesting period of two years from date of grant. Options granted for zero consideration are expressed as Rights. Employees forfeit their options and rights if they cease employment with the Group prior to vesting. The options and rights cannot be transferred and are not quoted on the Australian Securities Exchange. Option and Rights holders do not participate in any security issue of the Company or any other body corporate. They have no voting powers.

All options granted are exercisable into ordinary securities in Agenix Limited, which confer a right of one ordinary security for every option held.

	Consolidated			
	2015		2014	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	200,000	0.0225	400,000	0.1613
Exercised	-	-	-	-
Lapsed	(200,000)	0.0225	(200,000)	0.3000
Outstanding at year-end	-	-	200,000	0.0225
Exercisable at year-end	-	-	200,000	0.0225

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 19: Share-based payments (continued)

The following table lists the inputs to the option pricing model used for the years ended 30 June 2015 and 2014.

	30 June 2015
	AGX041
Dividend yield %	Nil
Expected volatility %	155%
Risk free interest rate %	3.23%
Expected life of options (years)	2.00
Option exercise price \$	0.0225
Weighted average share price \$	0.0225

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future trend, which may not eventuate.

The expected life of the options is based on the historical exercise patterns, which may not eventuate in the future.

Options are normally granted to employees and consultants as part of their contract and are subject to the achievement of milestones and targets. The Company utilises the grant of options and rights to provide incentive to achieve milestone and targets whilst balance the need to minimise the cash burn of the Company. During the year 200,000 Employee options lapsed.

Fair Value of OKS Settlement

In May 2015 shareholder approval was granted to issue 13,240,000 ordinary securities to OKS AGX Inc. This approval formed part of the settlement deed entered into by the Company with OKS AGX Inc. in full settlement of all claims arising from the 2007 placement arranged by the previous board and management. No cash proceeds were received in consideration of these securities. In accordance with AASB 2 Share based payment a fair value was required to be assigned to this transaction. Where a fair value cannot estimate reliably the fair value of the goods or services received, the company was required to measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The fair value has been determined utilising the market value of securities traded on the ASX immediately after the placement was completed and announced to the market.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 20: Capital and leasing commitments

Capital Commitments

The group had no capital commitments at 30 June 2015 (2014:Nil)

Operating lease commitments

The group had no operating lease commitments at 30 June 2015 (2014:Nil)

Note 21: Contingent liabilities

The group had no contingent liabilities as at 30 June 2015 (2014: Nil)

Note 22: Events after the balance date

No matters or circumstances have arisen since the end of the financial year which, in the opinion of the Board, has significantly affected or may significantly affect the operations of Agenix Limited or the state of affairs of the Group in future financial years.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 23: Related party transactions

	Consolidated	
	2015	2014
	\$	\$
The ultimate parent entity is Agenix Limited		
Transactions with related parties:		
1. Rent		
Rental contribution paid or payable to Mr N Weston for provision of office and all associated facilities pursuant to his contract of employment for an amount not exceeding \$1,250 per calendar month plus GST.	13,625	15,000
2. Interest expense		
Interest payable at 8% per annum in respect of unsecured loans advanced by Directors, senior management and their related parties during the year.	34,739	3,403
3. Unsecured loans received		
Unsecured loans advanced to the company by directors and their related parties during the year.	464,005	275,000
4. Unsecured loans repaid		
Unsecured loans advanced to the company by directors and repaid during the year.	8,705	50,000
5. Issue of securities in lieu of directors fees		
Issue of 3,172,413 ordinary securities to Reefpeak Pty Limited an entity associated with Mr Craig Chapman in lieu of directors fees.	46,000	-
6. Legal and Strategic Services		
Mr Nick Weston through his legal practice, Nicholas Weston, Lawyers rendered fees for services totalling \$104,500 during the year of which \$10,000 will, subject to shareholder approval be settled by way of issue of securities. In addition Nicholas Weston and the Company have entered into an agreement to defer payment of \$80,300 of these fees by entering into a loan agreement. This loan is unsecured, bears interest at 8% per annum and is repayable with 10 days upon obtaining approval for the repatriation of funds from China.	104,500	-

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 23: Related party transactions (continued)

	Consolidated	
	2015	2014
	\$	\$
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:		
a. Current payables		
Amounts due to Directors and or their related entities in respect of directors' fees, superannuation, interest and expenses.	92,346	96,723
c. Financial liabilities		
Unsecured loan from Reefpeak Pty Limited an entity associated with Craig Chapman bearing interest at 8% per annum and repayable on completion of repatriation of funds from China or subject to shareholder approval converted to equity.	250,000	125,000
Unsecured loan from Anthony Lee bearing interest at 8% per annum and repayable on completion of repatriation of funds from China or subject to shareholder approval converted to equity.	250,000	100,000
Unsecured loan from Scintilla Strategic Investments Limited an entity associated with Adam Gallagher bearing interest at 8% per annum and repayable on completion of repatriation of funds from China	100,000	-
Unsecured loan from Nicholas Weston, bearing interest at 8% per annum and is repayable with 10 days upon obtaining approval for the repatriation of funds from China.	80,300	-

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 24: Key management personnel

Transactions with key management personnel

Details of key management personnel compensation are disclosed in the remuneration report which forms part of the Directors' Report.

The aggregate compensation made to directors and other members of the key management personnel of the consolidated entity is set out below:

	Consolidated	
	2015	2014
	\$	\$
Short term employee benefits	247,354	455,792
Post-employment benefits	12,301	37,475
Share based payments	362	1,857
	260,017	495,124

Note 25: Financial instruments

Financial risk management policies

Agenix's activities expose it to a variety of financial risks; market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity did not use derivative financial instruments during the year either for hedging purposes or trading. Agenix uses different methods to measure the different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rates, foreign exchange and other price risks to determine market risk.

The director's overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Their functions include the review of the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

Market risk

The main risks the Group is exposed to through its financial instruments are market risks including foreign currency risk, interest rate risk, liquidity risk and credit risk.

a. Foreign currency risk

Agenix undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in a currency that is not the entity's functional currency. This risk is measured using sensitivity analysis and cash flow forecasting. The major international currency which Agenix is exposed to is the Chinese Renminbi which has been volatile in recent times mainly due to the actions of the Chinese government. As a result the Director's considered that the costs associated with future foreign exchange contracts outweighed the benefits, if any.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 25: Financial instruments (continued)

The carrying amount of the consolidated entity's foreign currency denominated financial assets and liabilities at the reporting date was as follows:

	Assets		Liabilities	
	2015 \$	2014 \$	2015 \$	2014 \$
Consolidated				
US Dollar	-	-	-	-
Chinese RMB	1,633,945	2,043,198	-	286,385
	1,633,945	2,043,198	-	286,385

The consolidated entity had assets denominated in foreign currencies of \$1,633,945 (2014: assets \$2,043,198 less liabilities \$286,385) as at 30 June 2015. Based on this exposure, had the Australian Dollar weakened by 10% / strengthened by 5% against these foreign currencies with all other variable held constant, the consolidated entity's loss for the year before tax would have been \$163,394 higher/ \$81,697 higher (2014: profit would be higher by \$87,841 or lower by \$175,681 on the same basis). The percentage change is the expected volatility of the significant currencies, which is based on management's assessment of the reasonable possible fluctuations taking into consideration movements over the last six months each year, the spot rate at reporting date and government policies announced regarding currency control. The actual realised exchange loss for the year ended 30 June 2015 was \$1,922.

b. Price risk

The Group is not exposed to any significant price risk.

c. Interest rate risk

The Group's borrowings consist of unsecured loans from directors at a fixed interest rate of 8% per annum and are expected to be short term. The repayment of these borrowings is dependent upon the repatriation of funds from China following the sale of the AGX -1009 project. Borrowings at fixed rates expose the consolidated entity to fair value risk. As the directors continue to advance funds by way of unsecured loans the interest expense payable each month will increase and is dependent upon the timing and amount of future loans. As at 30 June 2015 interest expense amounted to \$34,739 in respect of these loans. Interest is paid monthly in arrears.

The Group's normal policy is to ensure no more than 50% of borrowings should mature in any 12 month period. Once funds are repatriated all existing borrowings will either be repaid in full or, subject to shareholder approval, converted to equity.

d. Credit risk

The Group is not exposed to any significant credit risk. The financial assets consists of receivables from the relevant government authorities in each jurisdiction in relation to GST or similar value added taxes.

e. Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (cash and cash equivalents) and available borrowing facilities to be able to pay its debts as and when they become due and payable. The Group manages liquidity risk by maintaining adequate cash reserves and available borrowings and matching the maturity profiles of financial assets and liabilities. In addition to borrowings the Group has entered into an equity draw down agreement with Baycrest totalling \$3 Million which can be called upon at the Group's sole discretion. No drawdowns have occurred under this facility.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 25: Financial instruments (continued)

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturities for its financial instrument liabilities. The tables have been drawn up based upon the undiscounted cash flows of financial liabilities based upon the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual liabilities and therefore these totals may differ from the their carrying amount in the statement of financial position.

Consolidated Group	Carrying Amount		Within 1 Year	
	2015	2014	2015	2014
	\$	\$	\$	\$
Financial liabilities due for payment¹				
Trade and other payables	161,158	480,220	161,158	480,220
Financial liabilities	680,300	225,000	707,512	234,000
Total expected outflows	841,458	705,220	868,670	714,220
	Exceeding 1 Year		Total	
	2015	2014	2015	2014
	\$	\$	\$	\$
Financial liabilities due for payment				
Trade and other payables	-	-	161,158	480,220
Financial liabilities due for payment	-	-	707,512	234,000
Total expected outflows	-	-	868,670	714,220

¹ A total of \$24,000 of trade and other payables may, subject to shareholder approval, be settled by way of issue of securities at the option of the Company. The financial liabilities are unsecured loans from past and present directors bearing interest at 8% per annum. These financial liabilities are expected to be repaid before 31 December 2015. \$650,000 of these financial liabilities may subject to shareholder approval, be settled by way of issue of securities at the option of the lender. The financial liabilities differ from the face of the statement of financial position due to the fact that interest accrues on the unsecured loans at 8% per annum.

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 26: Fair value measurement

Fair values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Group. Most of these instruments which are carried at amortised cost (i.e. term receivables, held-to-maturity assets and loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Group.

		Consolidated			
	Footnote	2015		2014	
		Carrying Value	Fair Value	Carrying Value	Fair Value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	1,668,559	1,668,559	27,944	27,944
Trade and other receivables	(i)	15,003	15,003	2,049,283	2,049,283
Total financial assets		1,683,562	1,683,562	2,077,227	2,077,227
Financial liabilities					
Trade and other payables	(i)	161,158	161,158	393,305	393,305
Financial liabilities	(ii)	680,300	680,300	225,000	225,000
Total financial liabilities		841,458	841,458	618,305	618,305

AGENIX LIMITED
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2015

Note 26: Fair value measurement (continued)

The fair values disclosed in the preceding table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables, trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value.
- (ii) Discounted cash flow models are used to determine the fair values of loans and advances. Discount rates used on the calculations are based on interest rates existing at reporting date for similar types of loans and advances. Differences between fair values and carrying values largely represent movements of the effective interest rate determined on initial recognition and current market rates.
- (iii) The trade and other receivables include the amounts receivable from taxation authorities and as such the carrying value is equivalent to fair value.

Note 27: Company details

The registered office and principal place of business of the Company is:

Agenix Limited, Ground Floor, 156 Collins Street, Melbourne Australia.

Tel: +61 (0) 3 8616 0379

Email: info@agenix.com

Fax: +61(0) 3 8616 0382

Website: www.agenix.com

AGENIX LIMITED DIRECTORS' DECLARATION

In the directors opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Standards Accounting Board as described in Note 1 of the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 13 to the financial statements.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.



Craig Chapman

Director

31 August 2015

Brisbane

INDEPENDENT AUDITOR'S REPORT

To the members of Agenix Limited

Report on the Financial Report

We have audited the accompanying financial report of Agenix Limited, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, 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 entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, 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 Agenix Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Agenix Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 3 in the financial report which indicates that the consolidated entity incurred a loss from continuing operations of \$773,845 during the year ended 30 June 2015 (2014: \$804,579). As at 30 June 2015 the consolidated entity had cash at bank totalling \$1,668,559 (2014: \$27,944) and whilst the consolidated entity has a net current asset position of \$848,719 this includes cash of \$1,628,092 that is subject to restrictions and is not available to meet immediate cash needs. The ability of the consolidated entity to continue as a going concern is dependent on its ability to repatriate these restricted funds, access borrowings and raise additional capital. These conditions, along with the other matters as set out in Note 3, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 22 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Agenix Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO Audit Pty Ltd



C R Jenkins
Director

Brisbane, 31 August 2015

Agenix Limited

ADDITIONAL INFORMATION

The following information is required by ASX Limited in respect of listed public companies only and is not shown elsewhere in this report. The information is current as at the close of business 28 August 2015.

Distribution of security holders holding ordinary securities

Size of holding	Number
1 – 1,000	2,175
1,001 – 5,000	621
5,001 – 10,000	122
10,001 – 100,000	268
100,000 and above	124
Total	3,310

Marketable parcels

The number of shareholdings held in less than marketable parcels is 3,104.

Substantial security holders

The names of the substantial security holders listed in the holding company's register as at 28 August 2015 are:

Security holder	Number of ordinary securities
Craig Graeme Chapman <Nampac Discretionary A/C>	19,739,051
OKS AGX Inc.	14,906,667
Lmpac Pty Ltd < Lmpac2 Super Fund A/C>	12,630,383
Scintilla Strategic Investments Limited	7,600,000

Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary Securities – each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Company secretary

The name of the company secretary is Mr Gary Taylor.

Registered office

The address of the principal and registered office in Australia is Ground Floor, 156 Collins Street, Melbourne VIC 3000. Telephone +61 (0)3 8616 0379.

Share register

The register of securities is held at:

Advanced Share Registry Limited
150 Stirling Highway, Nedlands WA 6009 Australia.

Securities exchange listing

The Company is listed on the Australian Securities Exchange (ASX). The home exchange is Melbourne Australia.

AGENIX LIMITED
ADDITIONAL INFORMATION (continued)

20 Largest security holders – fully paid ordinary securities

	Name	Number	%
1	Craig Graeme Chapman <Nampac Discretionary A/C>	19,739,051	13.245
2	OKS AGX Inc.	14,906,667	10.002
3	Lmpacb Pty Ltd < Lmpac2 Super Fund A/C>	12,630,383	8.475
4	Scintilla Strategic Investments Limited	7,600,000	5.100
5	Annmac Investments Pty Limited <Anne McNamara Invest A/C>	6,878,759	4.616
6	Reefpeak Pty Limited	5,172,413	3.471
7	Annmac Investments Pty Limited <Anne McNamara Invest A/C>	4,000,000	2.684
8	Kevin John Cairns <Cairns Family A/C>	3,063,853	2.056
9	Fortrend Small Cap Investors Limited	3,026,431	2.031
10	Marbury Pty Ltd <Jonathan Buckley S/F A/C>	2,609,120	1.751
11	Baycrest Capital LLC	2,166,818	1.454
12	Andrew John Fleck	2,000,000	1.342
13	Jason Ty Haskard	2,000,000	1.342
14	Clara Services Pty Ltd < Man S Cheng Super Fund A/C>	1,918,625	1.287
15	Barbara Dianne Horwood	1,900,000	1.275
16	DSA Superannuation Nominees Pty Ltd <DSA Super Fund A/C>	1,700,000	1.141
17	Jeffrey Howard Latimer & Judith Anne Latimer	1,561,540	1.048
18	Saja Corporation Pty Ltd	1,500,000	1.007
19	Anthony Lee Vui Han	1,485,187	0.997
20	Pacific Superannuation Pty Limited	1,425,081	0.956
Total		97,283,928	65.280

Options

No listed or unlisted options are on issue at the date of this report.