2019 ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

CONTENTS

ACN 155 518 380

CORPORATE DIRECTORY

ACN 155 518 380

Directors

Kosmas Dimitriou, *Chair*

Dr George Syrmalis, *Executive Director and Chief Executive Officer*

Peter Buchanan Simpson

John Stratilas

Company Secretary

Gerardo Incollingo

Chief Executive Officer

Dr George Syrmalis

Registered office

Level 9, 85 Castlereagh Street

Sydney, NSW 2000

Principal place of business

Level 9, 85 Castlereagh Street

Sydney, NSW 2000

Share register

Boardroom Pty Limited

Level 12, 225 George Street

Sydney, NSW 2000

Auditor

BDO East Coast Partnership

Level 11, 1 Margaret Street

Sydney, NSW 2000

Stock exchange listings

iQX Limited shares are listed on the National Securities Exchange (NSX:IQX).

Website address

www.iqxinvestments.com

CHAIR'S REPORT

On behalf of the Board of Directors we are pleased to share the operational and financial review of iQX Limited for the financial year ended 30 June 2019.

iQX Limited is an investment funds management company specialising in the bioscience sector and is a core member of The iQ Group Global, a consortium of companies that find, fund and develop bioscience discoveries into life-changing medical innovations.

The iQX team has successfully continued to translate The iQ Group Global's strategy into tangible deliverables including:

- The realisation of good value investment at the early stage.
- The further development of iQX Limited's early stage biotechnology assets (the biosensor diagnostic platform) and;
- The recent investment in a novel anticancer drug platform (TEX Core) from the University of Texas and MD Anderson Cancer Center.

iQX Limited is always seeking to deliver value to all its stakeholders and recently announced that its Oncology franchise – OncoTEX Inc. acquired a novel anticancer drug platform (TEX Core) from the University of Texas and MD Anderson Cancer Center.

TEX Core is an anticancer drug platform that has the ability to develop a range of well-tolerated, MRI-detectable cancer therapeutics that target drug-sensitive and drug-resistant solid tumours.

The first cancer therapeutic to be commercialised from the platform is OxaliTEX, a novel chemical entity (WO 2015/191797) that targets only solid tumour cells, activates within the tumour and overcomes drug-resistance mechanisms with minimal side effects.

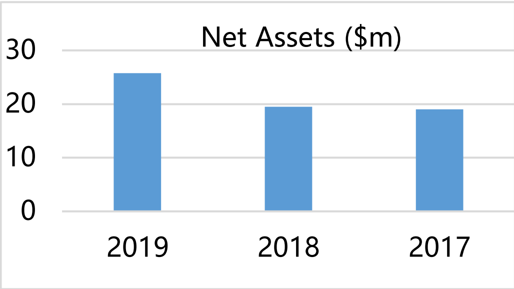
We are confident that our acquired interest in OncoTEX Inc. presents a significant opportunity to further diversify an existing bioscience portfolio for iQX Limited investors, whilst the OncoTEX oncology franchise offers long term value and enables future exit opportunities.

Kosmas Dimitriou
Chair

GROUP CEO'S REPORT

On behalf of management, I am pleased to share that iQX Ltd has experienced significant growth in its net asset value and revenue.

iQX Ltd has realised an increase in its net assets value of 32.2% to $25.77m from prior year, continuing a positive three-year trend for the company (refer to graph below).



iQX Ltd increased total revenue and other income by 346.7% to $8.19m from prior year.

iQX Ltd total revenue is generated through three separate streams:

- Capital raising fees generated from the Capital Labs equity crowd sourcing platform;
- Capital gains realized from the appreciation of iQX Ltd investments;
- Fees from its fund management activities.

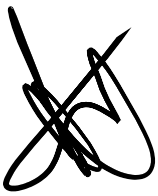
The market capitalization of the company as of 30 September 2019 is **$49.755m**.

In addition to our current investee company portfolio, iQX Ltd has realized a significant investment in the USA based Oncology company, OncoTEX Inc., which is developing a novel anticancer drug platform (TEX Core) acquired from the University of Texas and MD Anderson Cancer Center.

TEX Core is an anticancer drug platform that has the ability to develop a range of well-tolerated, MRI-detectable cancer therapeutics that target drug-sensitive and drug-resistant solid tumours.

The first cancer therapeutic to be commercialised from the platform is OxaliTEX, a new chemical entity (WO 2015/191797) that targets only solid tumour cells, activates within the tumour and overcomes drug-resistance mechanisms with minimal side effects.

To synopsise I would say that IQX Ltd, being an investment company has met its corporate objectives of asset appreciation and realisation of new investments. Last but not least, I need to reiterate a business belief, I try to practice in every acquisition we make "you make your money when you buy not when you sell" so in simple terms; it's the acquisition price that will determine our future capital gains rather than a reliance on an appreciating or bull market to create profit.



Dr George Syrmalis

Chief Executive Officer

About iQX Ltd (NSX: iQX)

iQX Ltd is an NSX listed investment funds management company specialising in the bioscience sector that is committed to eradicating disease through capital investment. IQX Ltd is a core member of The iQ Group Global, a consortium of companies that find, fund and develop bioscience discoveries into life-changing medical innovations.

www.iqxinvestments.com

About Capital Labs

Capital Labs is an Australian equity crowd-sourced funding platform fueling innovations with impact.
Capital Labs offers a full service crowd-source funding raise which includes investment banking expertise, bespoke marketing campaigns and dedicated account management.

www.capitallabs.com.au

About OncoTEX Inc.

OncoTEX Inc. owns TEX Core, a novel anticancer drug platform that enables the development of well-tolerated, MRI-detectable cancer therapeutics that target drug-sensitive and drug-resistant solid tumors. OncoTEX Inc.'s major shareholders include iQnovate (NSX: iQN) a life science organization providing intellectual asset property management services, iQX Ltd (NSX: IQX), a dedicated life science investment company and fund manager, and iQ3Corp Lt (ASX: IQ3), a life science corporate advisory firm.

About GBS Inc.

GBS Inc. is a biosensor diagnostic technology company commercializing the Saliva Glucose Biosensor in 37 countries within the Asia Pacific region including Australia, Indonesia, Japan and New Zealand. GBS Inc. intends to make finger-prick blood glucose testing obsolete for more than 164 million people living with diabetes in the Asia Pacific region.

www.glucosebiosensor.com

About The iQ Group Global

The iQ Group Global is a consortium of companies that find, fund and develop bioscience discoveries into life-changing medical innovations, and take them to the people who need them the most.

www.theiqgroupglobal.com

OPERATING AND FINANCIAL REVIEW

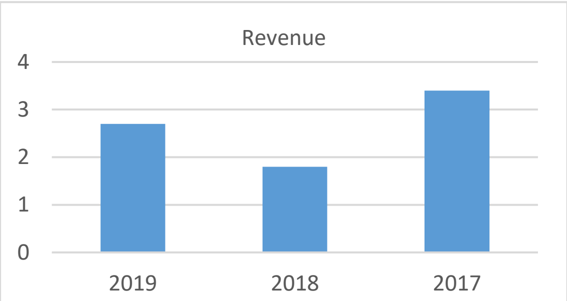
The Operating and Financial Review ("OFR") is provided to assist shareholders' understanding of the performance of iQX Limited ("iQX" or the "Group") and its controlled entities (collectively referred to as the "Group") and the factors underlying the Group's results and financial position for the period 1 July 2018 to 30 June 2019.

SUMMARY OF FINANCIAL RESULT

- Revenue increased to $2.7 million due to increase in financial services fees and shared services revenue;
- Other income has increased to $5.4 million due to revaluation of the financial asset.
- Fair value of financial assets increased to $25.8 million.
- Cash used in operations decreased by $2.2m.

$A millions	FY19	FY18	Change
Revenue	2.7	1.8	0.9
Other income	5.4	0.1	5.3
Profit/(Loss) before tax	0.3	(3.7)	4.0
FV of financial assets	25.8	19.5	6.3
Cash used in operations	(2.2)	(4.4)	2.2

Revenue increased by 55% to $2.7 million in the past year as a result of an increase in capital management advisory services provided, and asset related revenue.



OPERATING HIGHLIGHTS

- Capital Labs, a venture of iQX Investment Services Pty Ltd was granted a financial services license in December 2017. Capital Labs is a crowdfunding platform, linking start-up Australian biotechnology companies with retail investors in accordance with the Corporations Amendment (Crowd Sourced Funding) Act and ASIC Consultation Paper 289; The capital lab platform was further developed during the year and is expected to start raising funds from FY 2020;
- Series 8 Life Science Fund (Global) ESVCLP LP (Series 8), managed by subsidiary iQX Investment Services Pty Ltd, was granted unconditional registration from the Department of Industry, Innovation and Science as an early stage venture capital limited partnership in prior period. The iQ Series 8 Fund is currently capped at A$100 million.

DIRECTORS' REPORT

The Directors present their report together with the consolidated financial statements of iQX Limited ("iQX" or the "Group") and its subsidiaries (collectively referred to as the "Group") as at and for the year ended 30 June 2019.

DIRECTORS

The names of Directors who held office of the Group at any time during the financial year and at the date of this report, together with information on their qualifications, experience, special responsibilities, other listed Group directorships and other details, are as follows.

Dr George Syrmalis

Executive Director and Group Chief Executive Officer
Appointed: 24 November 2014

Trained in Nuclear Medicine-Radiation Immunology.

Dr Syrmalis founded and led as CEO and Chair of The Bionuclear Group SA, (1995-2005) incorporating Antisoma SA, Bionuclear Institute of Diagnosis and Therapy SA, Bionuclear Research and Development SA, and Vitalcheck SA.

Dr Syrmalis is currently a Non-executive Director of FarmaForce Limited, a Group listed on the Australian Stock Exchange; and Executive Director of iQnovate Ltd, a Group listed on the National Stock Exchange of Australia.

Kosmas Dimitriou

Non-Executive Director and Chair
Appointed: 20 November 2012

Bachelor Commerce Laws (University of Western Sydney), Diploma of Legal practice (Tax) (University of Sydney)

Kosmas is a tax lawyer with over 18 years' experience in taxation, holding senior roles in the profession and commerce. Kosmas also advises the government and ATO on tax policy and tax law design.

Mr Dimitriou is currently a Non-Executive Director of iQ3Corp Ltd, a Group listed on the Australian Stock Exchange.

Mr Dimitriou serves as a member of the Remuneration and Nomination Committee, and the Audit and Risk Management Committee, for iQX Limited.

Peter Simpson

Non-Executive Director
Appointed: 14 August 2013

Master of Pharmacy

Mr Simpson has extensive experience in the pharmaceutical industry and has been involved in the development of pharmaceutical products for both the Australian and international markets. For eight years he was the Research and Development Manager at David Bull Laboratories and oversaw the development and approval of over 80 products in the Australian, UK and US markets.

Mr Simpson is currently a Non-Executive Director of iQnovate Ltd, a Group listed on the National Stock Exchange of Australia.

John Stratilas

Independent Non-Executive Director
Appointed: 6 February 2012

Mr Stratilas brings to the Board over 21 years of experience in operating a number of businesses in the food industry and commercial property development and management markets.

Mr Stratilas serves as a member of the Remuneration and Nomination Committee, and the Audit and Risk Management Committee, for iQX Limited.

COMPANY SECRETARY

Gerardo Incollingo
Company Secretary
Appointed: 22 August 2016

Bachelor of Commerce (University of Wollongong), Member CPA Australia

Gerardo has more than 20 years of experience in managing the financial affairs of the diverse client base with key focus on day to day contact management of the business to help grow the profitability and strength of his clients going forward. He is managing director at LCI partners an established multinational accounting, finance and legal firm.

Gerardo is also Company Secretary of iQ3 Corp Limited and iQNovate Limited.

PRINCIPAL ACTIVITIES

During the year the principal activity for the Group consisted of general investing activities and exploring investment opportunities in the Life Science industry.

DIVIDENDS

No dividends have been paid or declared since the end of the previous financial year, nor do the directors recommend the declaration of a dividend.

REVIEW OF OPERATIONS

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the operating and financial review ("OFR") on page 7 of this Annual Report.

Information in the OFR is provided to enable shareholders to make an informed assessment about the Group's strategies and prospects for future financial years. Details that could give rise to likely material detriment to the Group (for example, information that is commercially sensitive, is confidential or could give a third party commercial advantage) has not been included.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events occurring after the balance date which may affect the Group's operations or results of those operations or the Group's state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Disclosure of the information regarding likely developments in the operation of the Group in the future years and the expected result of those operations is likely to result in unreasonable prejudice to the Group (e.g. because the information is premature, commercially sensitive or confidential or could give a third party a commercial advantage).

Accordingly, this information has not been disclosed in this report. The omitted information relates to Group's internal budgets, forecasts and estimates.

ENVIRONMENTAL REGULATION

The Directors recognise the importance of environmental and workplace health and safety issues. The Directors are committed to compliance with all relevant laws and regulations to ensure the protection of the environment, the community and the health and safety of employees.

The operations of the Group are not subject to any particular and significant environmental regulation under the laws of the Commonwealth of Australia or any of its states or territories.

Based on results of enquiries made, the Board is not aware of any significant breaches of environmental regulations during the period covered by this report.

REMUNERATION REPORT

The Remuneration Report is set out on pages 12 to 17 and forms part of the Directors' Report for the year ended 30 June 2019.

PROCEEDINGS ON BEHALF OF THE GROUP

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

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

INDEMNIFICATION OF AUDITORS

The Group has not, during or since the end of the financial year ended 30 June 2019, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor. During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

CHANGE OF AUDITOR

During the year the Group received approval from the Australian Securities and Investments Commission (ASIC) to change its auditors. BDO East Coast Partnership have been appointed by the Board as the auditor. In accordance with section 327C of the *Corporations Act 2001*, a resolution will be placed to ratify the appointment of BDO East Coast Partnership as the Group's auditor.

NON-AUDIT SERVICES

Details of the amounts paid to the auditor of the Group, BDO East Coast Partnership and its network firms for audit and non-audit services provided during the year ended 30 June 2019 are disclosed in note 26 of the consolidated financial statements.

AUDITOR INDEPENDENCE

The auditor's independence declaration is set out on page 25 and forms part of the Directors' Report for the year ended 30 June 2019.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Group has, during the financial year, paid an insurance premium in respect of an insurance policy for the benefit of the Group and those named and referred to above including the Directors, Company secretaries, officers and certain employees of the Group and related bodies corporate as defined in the insurance policy. The insurance is appropriate pursuant to section 199B of the *Corporations Act 2001*.

In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy, including the nature of the liability insured against and the amount of the premium.

ROUNDING OF AMOUNTS

The amounts in the consolidated financial statements have been rounded off to the nearest dollar in accordance with ASIC Corporation Instrument 2016/191, unless otherwise stated.

MEETINGS OF DIRECTORS

The number of Directors' meetings held (including meetings of committees of the Board) and number of meetings attended by each of the Directors of the Group during the financial year are:

Director	Full meetings of directors		Meetings of committees			
			Audit & Risk Management[1]		Remuneration & Nomination	
	A	B	A	B	A	B
Dr George Syrmalis	7	7	-	-	-	-
Kosmas Dimitriou	7	7	1	1	1	1
Peter Simpson	7	7	-	-	-	-
John Stratilas	7	7	1	1	1	1

A – Eligible to attend **B** - Attended

[1]The Audit & Risk Management Committee is comprised of two members, being Mr Dimitriou and Mr Stratilas.

DIRECTORS INTERESTS

The relevant interests of each Director in the equity of the Group at the date of this report are set out in the following table.

Director	Number of Ordinary Shares	Number of Options over Ordinary Shares	Number of additional Ordinary Shares subject to escrow
Dr George Syrmalis	16,145,112	-	-
John Stratilas	1,600,000	-	-

The Directors' Report is signed in accordance with a resolution of the Directors.

Dr George Syrmalis
Executive Director and Chief Executive Officer
Sydney
30th September 2019

REMUNERATION REPORT (AUDITED)

This remuneration report outlines the remuneration arrangements for Non-Executive Directors, Executive Directors and other Key Management Personnel ("KMP") of the Group for the financial year ended 30 June 2019. The information in this report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The report is presented under the following sections:

1. Key management personnel (KMP) covered in this report
2. Remuneration governance
3. Executive KMP remuneration arrangements
    - A. Remuneration principles and strategy
    - B. Detail of incentive plans
4. Executive KMP remuneration outcomes (including link to performance)
5. Executive KMP contractual arrangements
6. Non-Executive Director arrangements
7. Additional disclosures relating to options and shares

1. KEY MANAGEMENT PERSONNEL

The table below outlines the KMP at any time during the financial year, and unless otherwise indicated, they were KMP for the entire year.

Name	Position	Term as KMP
Non-Executive Directors		
Kosmas Dimitriou	Chair	Entire year
John Stratilas	Non-Executive Director	Entire year
Peter Simpson	Non-Executive Director	Entire year
Executive Directors		
Dr George Syrmalis	Executive Director and Group CEO	Entire year

2. REMUNERATION GOVERNANCE

The Board has established a remuneration and nomination committee ("RNC") which is currently comprised of the following members:

Committee member	Position	Independent
Kosmas Dimitriou	Member	No
John Stratilas	Member	Yes

The key responsibility of the RNC is to assist the Board in its oversight of:

- the remuneration framework and policy for Executive and employee reward;
- the determination of appropriate Executive reward, including advice on structure, quantum and mix;
- the determination of achievement of performance measures included in any variable remuneration plan;
- compliance with applicable legal and regulatory requirements; and
- board size, composition and succession planning.

A full charter outlining the RNC's responsibilities is available at: www.iqxinvestments.com/

3. EXECUTIVE KMP REMUNERATION ARRANGEMENTS

A. Remuneration principles and strategy

In FY2019 the executive remuneration framework consisted of fixed remuneration and short and long-term incentives as outlined below. The Group aims to reward executives with a level and mix of remuneration appropriate to their position, responsibilities and performance within the Group and aligned with market practice. Remuneration levels are considered annually through a remuneration review which considers market data and the performance of the Group and individual.

B. Detail of incentive plans

Short-term incentive (STI)

The Group operates an annual STI program available to executives and awards a cash incentive subject to the attainment of clearly defined key performance measures.

A summary of the executive STI plan in effect during FY2019 is provided below:

Who participates?	Dr George Syrmalis
How is STI delivered?	Cash
What is the STI opportunity?	Up to 25% of base salary
What are the performance conditions for FY2019?	Individual performance goals against annual plans.
How is performance assessed?	On an annual basis, after consideration of performance against key performance indicators (KPI).

Employee benefit plan (EBP)

The following table explains the key features of the Employee Benefit Plan. Dr George Syrmalis is eligible to receive 153,000 performance rights per annum under the EBP.

Who participates?	All employees of the Group.
How are Long Term Incentives delivered?	Entitlement to shares and performance rights.
What are the performance conditions for the FY2019 grant?	Individual performance goals against annual plans.
How is performance assessed?	At the end of the relevant performance period, the Group will determine whether and to what extent the participant has satisfied the applicable performance criteria.
When does the award vest?	Awards vest after a total of three years' continual service following achievement of the applicable performance criteria.
How are grants treated on termination?	The participant must be a current employee at vesting date in order to be entitled to shares.
How are grants treated if a change of control occurs?	If a takeover bid or other offer is made to acquire some or all of the issued shares of the Group, participants will generally be entitled to request that all performance rights vest immediately, regardless of whether the relevant performance conditions have been satisfied.

4. EXECUTIVE KMP REMUNERATION OUTCOMES FOR 2019

Group performance and its link to STI

Key Performance Indicators (KPIs) are set annually, with a certain level of consultation with KMP. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPI's target areas the Group believes hold greater potential for group expansion and profit, covering financial and non-financial as well as short-term and long-term goals. The level set for each KPI is based on budgeted figures for the Group and respective industry standards.

The table below provides a summary of the Group's performance in FY2019. The information below is taken into account by the Board when setting and determining short-term and long-term remuneration for KMP.

Short-term incentive payments or EBP awards were made in 30 June 2019.
LTI payments were made in, or provided for during, the period to 30 June 2019 (see table below for details).

Share performance				Earnings performance A$ million	
Period	Closing share price at 30 June	Dividend per share	EPS (cents)	Revenue	Profit/(loss) after tax
FY2019	$0.32	NIL	(0.17)	$2.7	($0.2)
FY2018	$0.32	NIL	(2.21)	$1.8	($2.7)
FY2017	$0.40	NIL	12.22	$3.4	$14.2
FY2016	$0.43	NIL	(2.26)	$0.5	($2.3)
FY2015	$0.65	NIL	(1.27)	$0.8	($1.3)

Executive KMP remuneration disclosure for the year ended

30 June 2019

The following table of executive KMP remuneration has been prepared in accordance with accounting standards and the *Corporations Act 2001* requirements, for the period 1 July 2018 to 30 June 2019.

KMP		Short Term				Post employ-ment	Share based payments (LTI)		Total	
Name	Year	Base salary	Cash bonus	Non-cash benefit	Other[2]	Super-annuation	Perfor-mance right	Shares	Total	Perfor-mance related %
Dr George Syrmalis	2019	404,296	87,891	-	111,465	51,491	48,960	-	704,103	19%
	2018	333,984	105,469	-	22,831	43,917	48,960	3,060	558,221	28%
Spiro Sakiris	2019[1]	-	-	-	-	-	-	-	-	-
	2018	**96,875**	56,250	-	-	14,547	-	900	168,572	33%
Total Executive KMP	**2019**	**404,296**	**87,891**	**-**	**111,465**	**51,491**	**48,960**	**-**	**704,103**	**19%**
	2018	**430,859**	**161,719**	**-**	**22,831**	**58,464**	**48,960**	**3,960**	**726,793**	**29%**

[1] Spiro Sakiris resigned as Chief Operating and Financial Officer on 4 December 2017

[2] This includes car allowance, directors fee, FBT, annual leave and long service leave

Share based payments

Mr Syrmalis was issued with 306,000 fully paid ordinary shares for meeting his individual performance goals for the periods FY2013 to FY2014 inclusive. The shares were issued at $0.01 per share. Shares were issued 28 March 2018.

4. EXECUTIVE KMP REMUNERATION OUTCOMES FOR 2019 (CONTINUED)

Mr Sakiris was issued with 90,000 fully paid ordinary shares for meeting his individual performance goals for the period FY2014. The shares were issued at $0.01 per share. Shares were issued 28 March 2018.

5. EXECUTIVE KMP CONTRACTUAL ARRANGEMENTS

Remuneration arrangements for executive KMP are formalised in employment agreements. The key terms and conditions of executive employment agreements for the year ended 30 June 2019 are outlined in the table below.

Executive	Position	Effective date	Fixed annual remuner-ation[1]	Term	Notice period[2]	Termination payment[3]
Dr George Syrmalis	Group Chief Executive Officer	1 January 2019	$525,448	Ongoing	6 months	Superannuation will be paid irrespective of the termination benefits cap under the *Corporations Act*.

[1] Fixed Annual Remuneration includes base salary plus superannuation contributions in accordance with Superannuation Guarantee legislation, plus car allowance.

[2] The Group may terminate employment immediately and without notice in certain circumstances, including where the executive has committed a serious or persistent breach of their employment agreement or where the executive has been dishonest or fraudulent in the course of performing their duties.

[3] Subject to the termination benefits cap under the *Corporations Act*, with the exception superannuation as detailed above.

6. NON-EXECUTIVE DIRECTOR ARRANGEMENTS

Determination of fees and maximum aggregate NED fee pool

The Constitution of the Group provides that Non-Executive Directors, other than a Managing Director or an Executive Director, are entitled to director's fees as determined by the Directors, but not exceeding in aggregate for any financial year, the maximum sum that is from time to time approved by the Group in General Meeting. At the date of this report this maximum sum is $300,000 (inclusive of superannuation).

Fee policy

NED fees consist of base fees and committee fees. The payment of committee fees recognises the additional time commitment required by NEDs who serve on board committees. Directors who also chair the Audit and Risk Management Committee shall be entitled to an additional fee of $5,000 (including superannuation) per annum. The Chair of the Board attends all committee meetings but does not receive any additional committee fees in addition to base fees.

NEDs may be reimbursed for expenses reasonably incurred in attending to the Group's affairs. NEDs do not receive retirement benefits, nor do they participate in any incentive programs.

6. NON-EXECUTIVE DIRECTOR ARRANGEMENTS (CONTINUED)

Statutory remuneration table for FY2019

The table below sets out the elements of NED fees and other benefits provided during FY2019.

Fees applicable for FY2019	Chair & Non-Executive	Executive
Board	$45,000	$50,000
Audit and Risk Management Committee	$5,000	Nil
Remuneration and Nomination Committee	Nil	Nil
Superannuation	Included in above amounts.	
Other	Reimbursement of travel and other expenses necessarily incurred in exercising their duties	

Non-Executive remuneration disclosure for the year ended 30 June 2019

The following table of Non-Executive remuneration has been prepared in accordance with accounting standards and the Corporations Act 2001 requirements, for the period 1 July 2018 to 30 June 2019. All amounts are in AUD.

NED	Year	Board fees	Other fees	Non-cash benefit	Super-annuation	Total	Performance Related %
Kosmas Dimitriou	2019	41,096	-	-	3,904	45,000	0%
	2018	36,602	-	-	3,477	40,079	0%
Peter Simpson	2019	36,530	-	-	3,470	40,000	0%
	2018	34,319	-	-	3,260	37,579	0%
John Stratilas	2019	36,530	-	-	3,470	40,000	0%
	2018	34,319	-	-	3,260	37,579	0%
Total NED	**2019**	**114,156**	**-**	**-**	**10,844**	**125,000**	**0%**
	2018	**105,240**	**-**	**-**	**9,997**	**115,237**	**0%**

7. ADDITIONAL DISCLOSURES RELATING TO OPTIONS AND SHARES

Movements in Equity Holdings of KMP

The following table sets out the movement during the reporting period in the number of ordinary shares in iQX Limited held directly, indirectly, or beneficially by KMP including their related parties.

KMP	Held at 1 July 2018	Granted as remuneration	Options exercised	Net change other	Forfeited	Held at 30 June 2019
Non-Executive Directors						
Kosmas Dimitriou	-	-	-	-	-	-
Peter Simpson	-	-	-	-	-	-
John Stratilas	1,600,000	-	-	-	-	1,600,000
Executive Directors						
Dr George Syrmalis	16,145,112	-	-	-	-	16,145,112
Total KMP	**17,745,112**	**-**	**-**	**-**	**-**	**17,745,112**

7. ADDITIONAL DISCLOSURES RELATING TO OPTIONS AND SHARES (CONTINUED)

Performance rights table

	Remuneration type	Grant date	Grant Value	% Vested	Expiry date for vesting or payment
Executive Directors					
George Syrmalis	Shares	1/4/2015	99,450	100%	1/4/2018
George Syrmalis	Shares	1/4/2016	99,450	100%	1/4/2019
George Syrmalis	Shares	1/4/2017	61,200	-	1/4/2020
George Syrmalis	Shares	1/4/2018	48,960	-	1/4/2021
George Syrmalis	Shares	1/4/2019	48,960	-	1/4/2022

All grants are in accordance with the Employee Share Scheme (ESS). Each Performance Right confers the entitlement to a fully-paid ordinary share after three (3) further years of employment after the first anniversary.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors ("the Board") is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and practices in place to ensure they meet the interests of shareholders. The Group's corporate governance policies and procedures comply with Annexure 1 of the National Securities Exchange of Australia (NSX) Practice Note 14. In addition, the Group's corporate governance policies and procedures also incorporate those recommendations referred to in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (the Principles).

Principle 1: Lay solid foundations for management

Role of the Board and Management

The Board of Directors is responsible for the corporate governance of the Group. The Board provides strategic guidance for the Group, and effective oversight of management. The Board guides and monitors the business and affairs of the Group on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Board has delegated responsibility for day to day management of the Group to the Chief Executive Officer (CEO) and there is a formal delegation structure in place which sets out the powers delegated to the CEO and those specifically retained by the Board, these delegations are reviewed on a regular basis.

Responsibilities of the Board

The Board is responsible for:

- Overseeing the Group, including its control and accountability systems;
- Overseeing the integrity of the accounting and corporate systems, including external audit;
- Appointing and removing the CEO/Managing Director;
- Where appropriate, ratifying the appointment and removal of senior executives;
- Providing input into and final approval of management's development of corporate strategy and performance objectives;
- Reviewing, ratifying and monitoring systems of risk management and internal controls, codes of conduct and legal compliance;
- Monitoring senior executives' performance and implementation of strategy;
- Ensuring timely and balanced disclosure of all material information concerning the Group that a reasonable person would expect to have a material effect on the price or value of the Group's securities;
- Ensuring appropriate resources are available to senior executives;
- Approving and monitoring the operating budgets and progress of major capital expenditure, capital management and acquisitions and divestures; and
- Monitoring the effectiveness of the entity's governance practices.

Allocation of individual responsibilities

Formal letters of appointment are provided to all new Directors and Senior Executives setting out key terms and conditions of their appointment.

Responsibilities of management

Management are responsible for implementing the strategic objectives of the Group and operating within the risk appetite set by the Board as well as other aspects of the day-to-day running of the Group.

Management is also responsible for providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.

Induction

All new Directors participate in a formal induction process coordinated by the Company Secretary. This induction process includes briefings on the Group's financial, strategic, operational and risk management position, the Group's governance framework and key developments in the Group and the industry and environment in which it operates.

Role and accountability of the Company Secretary

The Company Secretary is appointed by the Board and is responsible for:

- Advising the Board and its Committees on Governance matters;
- Monitoring compliance with Board policies and procedures;

- Co-ordinating Board papers; Accurately recording decisions and discussions from board meetings; and
- Co-ordinating the induction and professional development of Directors.

In addition to the above responsibilities, the Company Secretary played an integral role in assisting with the conduct and processes of the Board, as well as the dispatch of material to the Board members.

Ongoing training

Directors identify additional training needs on an ongoing basis and attend these as necessary to ensure they have the appropriate skills and knowledge to perform their role.

Appointment of Board Members

Prior to appointing or putting forward a candidate for election to the Board, appropriate checks such as character, experience, criminal records and education are performed. All material information in the Group's possession is provided to security holders to allow them to make an informed decision about the suitability of the candidate at the Group's next Annual General Meeting of shareholders.

Principle 2: Structure the Board to add value

The Board's policy is that the Board needs to have an appropriate mix of skills, experience, expertise and diversity to be well equipped to help the Group navigate the range of challenges it faces.

The names, independence status, terms of service, experience, expertise and qualifications, of the members of the Board as at the date of this report are set out in the Director's Report.

The Group does not have a majority independent Directors. The Board considers this to be satisfactory considering the size and complexity of the business.

Composition of the Board

The Board's composition is determined based on criteria set out in the Group's constitution and the Board Charter.

The Board seeks to ensure that:

- At any point in time, its membership represents an appropriate balance between Directors with experience and knowledge of the Group and Directors with an external or fresh perspective;
- There is a sufficient number of Directors to serve on Board committees without overburdening the Directors or making it difficult for them to fully discharge their responsibilities; and
- The size of the Board is appropriate to facilitate effective discussion and efficient decision making.

In accordance with the NSX Listing Rules, the Group must hold an election of Directors each year.

Board committees

To ensure that the responsibilities of the Board are upheld and executed to the highest level, the Board has established the following Board committees:

- Audit and Risk Committee
- Remuneration and Nomination Committee

Each of these committees have established charters and operating procedures in place, which are reviewed on a regular basis. The Board may establish other committees from time to time to deal with matters of special importance. The Committees have access to the Group's executives and senior management as well as independent advice. Copies of the minutes of each Committee meeting are made available to the full Board, and the Chairman of each Committee provides an update on the outcomes at the Board meeting that immediately follows the Committee meeting.

Board skills matrix

The key skills required by the Board are highlighted in the matrix below, the Board believes that there are sufficient Directors with these skills and there are no deficiencies in these skills in the current board.

- Risk and compliance: Identify key risks to the Group related to each key areas of operations. Ability to monitor risk and compliance and knowledge of legal and regulatory requirements.
- Financial and Audit: Experience in accounting and finance to analyse statements, assess financial viability, contribute to financial planning, oversee budgets and funding arrangements.
- Strategy: Ability to identify and critically assess strategic opportunities and threats to the organisation. Develop strategies in context to our policies and business objectives.

- Policy development: Ability to identify key issues for the organisation and develop appropriate policy parameters within which the Group should operate.

Independent decision making

The Board recognises the important contribution independent Directors make to good corporate governance. All Directors, whether independent or not, are required to act in the best interests of the Group and to exercise unfettered and independent judgment.

A Director is considered to be independent if he or she is free of any interest, position, association or relationship that might influence or reasonably be perceived to influence, in a material respect, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Group and its security holders generally.

If any Director believes there is a change in their independence status, they are required to notify the Board as soon as possible.

The Board has adopted specific principles in relation to Directors' independence and considers the following, at least annually, when determining if a Director is independent. Whether the Director:

- Is a substantial shareholder of the Group or an officer of, or otherwise associated directly with, a substantial shareholder of the Group.
- Is employed, or has previously been employed in an executive capacity by the Group or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board.
- Has within the last three years been a principal of a material professional adviser or a material consultant to the Group or another group member, or an employee materially associated with the service provided.
- Is a material supplier or customer of the Group or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer.
- Has a material contractual relationship with the Group or another group member other than as a Director.

Role of the Chairman

The Chairman of the Board is responsible for leadership of the Board and for the efficient organisation and conduct of the Board's functioning.

The Chairman facilitates the effective contribution of all Directors and promotes constructive and respectful relations between Directors and between Board and management.

Nomination Committee

The Nomination Committee meets as required during the year to assist the Board in fulfilling its corporate governance responsibilities in regard to:

- Board appointments, re-elections and performance and general succession planning for Board / Senior Management;
- Directors' induction and continuing development;
- Board Committee membership; and
- Endorsement of Executive appointments.

The Nomination Committee's Charter sets out the Committee's responsibilities, which include making recommendations to the Board on the appropriate skill mix, personal qualities, expertise and diversity of each position following the annual assessment of the Board. When a vacancy exists or there is a need for particular skills, the Committee, in consultation with the Board, determines the selection criteria based on the skills deemed necessary. Board appointees must stand for election at the next Annual General Meeting of shareholders.

The Committee also makes recommendations to the Board and oversees implementation of the procedure for evaluating the Board's performance.

Access to information

The Board is provided with the information it needs to discharge its responsibilities effectively and all Directors have complete access to senior management through the CEO or Company Secretary.

In certain circumstances, each Director has the right to seek independent professional advice at the

Group's expense, within specified limits, or with the prior approval of the Board.

Principle 3: Act ethically and responsibly

Code of conduct

The Group's Corporate Ethics Policy and Corporate Code of Conduct sets out the behaviour required of Directors, employees and contractors as appropriate and include the observance of legal and other compliance obligations that relate to the Group's activities from time to time. The Board acknowledges and emphasises the importance of all Directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

A Corporate Code of Conduct has been established requiring Directors and employees to:

- Act in the best interest of the entity;
- Act honestly and with high standards of personal integrity;
- Exercise due care and diligence in fulfilling the functions of office;
- Avoid conflicts and make full disclosure of any possible conflicts of interest;
- Comply with the laws and regulations that apply to the entity and its operations;
- Not knowingly participate in any illegal or unethical activity; and
- Comply with the share trading policy outlined in the Code of Conduct.

A Corporate Governance Charter and Board Charter has been adopted which regulates the duties of Directors and their dealings with the Group (including the trading of shares in the Group) both internally and externally.

Principle 4: Safeguard integrity in corporate reporting

Audit and Risk Management Committee

The Audit and Risk Committee assists the Board in fulfilling its corporate governance responsibilities in regards to:

- The adequacy of the entity's corporate reporting processes;
- Whether the entity's financial statements reflect the understanding of the committee members of, and otherwise provide a true and fair view of, the financial position and performance of the entity;
- The appropriateness of the accounting judgements or choices exercised by management in preparing the entity's financial statements;
- The appointment or removal, rotation, independence and performance of the external auditor;
- The scope and adequacy of the external audit and any non-audit services;
- If, and when, the Group establishes an internal audit function:
    - the appointment or removal of the head of internal audit;
    - the scope and adequacy of the internal audit work plan; and
    - the objectivity and performance of the internal audit function.

The members of the Audit and Risk Committee throughout the Reporting Period were:

Name	Executive/Non-Executive	Independent?
Kosmas Dimitriou	Non-Executive	No
John Stratilas	Non-Executive	Yes

Accordingly, the Group does not have a majority of independent committee members. The Board considers this to be appropriate considering the size and complexity of the business.

The qualifications and experience of the Audit and Risk Committee members and their attendance at Committee meetings is included in the Directors' report.

The Audit and Risk Committee reports to the full Board after every meeting on all matters relevant to the committee's roles and responsibilities.

External auditor

The Audit and Risk Committee oversees the relationship with the external auditor. In accordance with the *Corporations Act 2001*, the lead Audit Partner on the audit is required to rotate at the completion of a 5- year term.

The external auditor attends the AGM and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Board has received from its Chief Executive Officer and Chief Financial Officer a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Internal control

The Board is responsible for reviewing the Group's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

The Board has received assurance from the Chief Executive Officer and the Chief Operating Officer that the declaration provided in accordance with section 295A of the *Corporations Act 2001* is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Principle 5: Make timely and balanced disclosure

iQX Limited has established policies and procedures to ensure timely and balanced disclosures of all material matters concerning the Group, and to ensure that all investors have equal and timely access to information on the Group's financial performance.

These policies and procedures include a comprehensive disclosure policy that includes identification of matters that may have a material effect on the price on the Group's securities, quality control procedures over announcements, notifying them to the NSX, posting relevant information on the Group's website and issuing media releases.

The Annual Report includes relevant information about the operations of the Group during the year, key financial information, changes in the state of affairs and indications of future developments. The Annual Reports for the current year and for previous years are available under the Investor Relations section of the Group website.

The half year and full year financial results are announced to the NSX and are available to shareholders via the Group and NSX websites.

All announcements made to the market, and related information (including presentations to investors and information provided to analysts or the media during briefings) are made available to all shareholders under the Investor Relations section of the Group website after they are released to the NSX. All NSX announcements, media releases and financial information are available on Group website within one day of public release.

Principle 6: Respect the rights of security holders

The Company Secretary has been nominated as the person responsible for communications with the NSX.

All Executive Management have an ongoing obligation to advise the Company Secretary of any material non-public information which may need to be communicated to the market.

The Group has an Investor Relations Program which promotes effective communication with shareholders, encourages participation at general meetings and encourages communications throughout the year.

The Group engages with its security holders through:

- Giving them ready access to information about the entity and its governance via the Group website;
- Communicating openly and honestly with them;
- Encouraging and facilitating their participation in meetings of security holders; and
- Providing an email address and telephone number on all communication for security holders who wish to contact the Group.

The Group makes all NSX announcements available via its website. In addition, shareholders who are registered receive email notifications of announcements.

The Notice of Annual General Meeting (**AGM**) will be provided to all shareholders and posted on the Group's website. Notices for general meetings and other communications with shareholders are drafted to ensure that they are honest, accurate and not misleading and that the nature of the business of the meeting is clearly stated and explained where necessary.

The Board encourages full participation by shareholders at the Annual General Meeting to ensure a high level of Director accountability to shareholders and shareholder identification with the Group's strategy and goals.

An AGM question form will accompany the Notice of Meeting, giving shareholders the opportunity to forward questions and comments to the Group prior to the AGM. The external auditor is available to answer questions at the AGM.

Principle 7: Recognise and manage risk

The Board considers identification and management of key risks associated with the business as vital to maximize shareholder wealth. A yearly assessment of the business's risk profile is undertaken and reviewed by the Board, covering all aspects of the business from the operational level through to strategic level risks.

The CEO has been delegated the task of implementing internal controls to identify and manage risks for which the Audit and Risk Management Committee and the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly. The recent economic environment has emphasised the importance of managing and reassessing key business risks.

The Board is responsible for reviewing the Group's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

The Board requires management to design and implement the risk management and internal control system to manage the Group's material business risks and report to it on whether those risks are being managed effectively.

The Group does not presently have an internal audit function. The evaluation of the risk management and internal control process is the responsibility of the Audit and Risk Management Committee and is performed in conjunction with senior executives. External consultants may be used in certain circumstances, however, have not been used during the financial year.

Principle 8: Remunerate fairly and responsibly

The Group's remuneration policy is designed in such as a way that it:

- Motivates senior executives to pursue the long-term growth and success of the Group; and
- Demonstrates a clear relationship between senior executives' performance and remuneration.

The remuneration policy, which sets out the remuneration framework for the key management personnel (KMP) was developed by the Remuneration and Nomination Committee after seeking professional advice from independent consultants and was approved by the Board.

All executives receive a base salary, superannuation, fringe benefits, performance incentives and retirement benefits. The Remuneration and Nomination Committee reviews executive remuneration policies and practices to ensure that executive packages are referable to Group performance, its executives' performance, comparable information from industry sectors and other listed corporations and independent advice. The performance of executives is measured against criteria agreed half yearly which are based on the forecast growth of the Group and shareholder value.

The Board expects that the remuneration structure implemented will result in the Group being able to attract and retain the highest caliber of executives. It will also provide executives with the necessary incentives to achieve long-term growth in shareholder value.

The Group's policies and practices surrounding the payment of bonuses, options and other incentive payments are reviewed by the Remuneration and Nomination Committee annually as part of the review of executive remuneration policies and practices and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to predetermined performance criteria.

Further information about the Group's remuneration strategy, policies and their relationship to Group performance can be found in the Remuneration Report which forms part of the Directors' Report, together with details of the remuneration paid to key management personnel.

Remuneration and Nomination Committee

The responsibilities of the Remuneration and Nomination Committee include a review of and recommendation to the Board on:

- The Group's remuneration, recruitment, retention and termination policies and procedures for senior executives;
- Senior executives' remuneration and incentives;
- Superannuation arrangements; and
- The remuneration framework for Directors.

Each member of the Remuneration and Nomination Committee:

- Is familiar with the legal and regulatory disclosure requirements in relation to remuneration; and
- Has adequate knowledge of executive remuneration issues, including executive retention and termination policies and short term and long term incentive arrangements.

The members of the Remuneration and Nomination Committee throughout the Reporting Period were as set out in the Remuneration Report which is part of the Directors' Report.

The Group does not have a majority of independent committee members, as the Board considers this to be satisfactory considering the size and complexity of the business.

Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF IQX LIMITED

As lead auditor of iQX Limited for the year ended 30 June 2019, 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 iQX Limited and the entities it controlled during the period.

BDO

Tim Aman
Partner

BDO East Coast Partnership

Sydney, 30 September 2019

IQX LIMITED AND CONTROLLED ENTITIES

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2019

In dollars	***Note***	**2019**	**2018 (Restated)***
Revenue	*6*	2,732,532	1,760,036
Other income	*7(a)*	5,461,147	74,293
Employee benefits expense	*7(c)*	(1,990,262)	(1,879,672)
Share based payment expenses	*21*	(90,832)	-
Depreciation and amortisation expense	*11*	(75,929)	(113,264)
Impairment of intangible assets	*12*	(1,393,910)	(369,266)
Consultancy fees		(383,256)	(210,244)
Occupancy costs		(1,440,207)	(960,640)
Other expenses	*7(d)*	(1,617,005)	(1,437,649)
Share option expense		-	(3,960)
Finance costs	*7(b)*	(859,556)	(504,982)
Share of loss in associated companies		(49,111)	(28,653)
Profit/(Loss) before income tax		**293,611**	**(3,674,002)**
Income tax (expense)/benefit	*9(a)*	(515,382)	954,300
Net loss for the period		**(221,771)**	**(2,719,702)**

Profit/(Loss) per share for the period attributable to the ordinary equity holders of the Group:

Basic loss per share (cents per share)	*17*	(0.17)	(2.21)
Diluted loss per share (cents per share)	*17*	(0.17)	(2.21)

* Comparative figures have been restated as a result of corrections to the prior period. Refer to Note 28 for details.

The above consolidated statement of profit or loss, should be read in conjunction with the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

In dollars	***Note***	**2019**	**2018 (Restated)***
Net loss for the period		**(221,771)**	**(2,719,702)**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss when specific conditions are met:		-	-
Other comprehensive profit/(loss) for the period, net of tax		**-**	**-**
Total comprehensive loss for the period		**(221,771)**	**(2,719,702)**

* Comparative figures have been restated as a result of corrections to the prior period. Refer to Note 28 for details.

The above consolidated statement of comprehensive income, should be read in conjunction with the accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2019

In dollars	*Note*	2019	2018 (Restated)*
Assets			
Current assets			
Cash	*8*	189,228	276,968
Trade and other receivables	*10*	1,005,535	918,026
Prepayments		297,968	158,408
Total current assets		**1,492,731**	**1,353,402**
Non-current assets			
Property, plant and equipment	*11*	382,791	291,456
Intangible assets	*12*	4,000	1,144,414
Other receivables	*10*	331,387	331,387
Investment in associate	*19(b)*	220,349	228,060
Financial assets	*19(c,d,e)*	25,770,413	19,499,218
Deferred tax assets	*9(b)*	4,180,021	2,909,534
Total non-current assets		**30,888,961**	**24,404,069**
Total Assets		**32,381,692**	**25,757,471**
Liabilities			
Current liabilities			
Trade and other payables	*13*	1,729,809	872,618
Employee benefit liabilities	*14*	214,365	258,794
Total current liabilities		**1,944,174**	**1,131,412**
Non-current liabilities			
Employee benefit liabilities	*14*	64,584	42,806
Borrowings	*15*	4,401,020	4,017,862
Deferred tax liabilities	*9(b)*	6,937,791	5,227,412
Total non-current liabilities		**11,403,395**	**9,288,080**
Total liabilities		**13,347,569**	**10,419,492**
Net assets		**19,034,123**	**15,337,981**
Equity			
Contributed equity	*16*	13,633,353	9,806,272
Reserves		90,832	-
Retained earnings		5,309,937	5,531,709
Total equity		**19,034,123**	**15,337,981**

* Comparative figures have been restated as a result of corrections to the prior period. Refer to Note 28 for details.

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

CONSOLIDATED STATEMENT CHANGES IN THE EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

In dollars	Contributed equity	Equity settled share based payment reserve	Retained earnings	Total
Balance at 1 July 2017	**6,252,842**	**-**	**8,251,411**	**14,504,253**
Total comprehensive loss for the period				
Loss for the period	-	-	(2,719,702)	(2,719,702)
Total comprehensive loss	**-**	**-**	**(2,719,702)**	**(2,719,702)**
Transaction with owners recorded directly in equity				
Conversion of notes previously classified as liability	3,001,000	-	-	3,001,000
Allotment of shares from employee share plan	3,960	-	-	3,960
Issue of convertible notes	1,664,068	-	-	1,664,068
Share issue cost	(163,432)	-	-	(163,432)
Adjustment to correct prior period[1]	(952,166)	-	-	(952,166)
Total transactions with owners recorded directly in equity	**3,553,430**	**-**	**-**	**3,553,430**
Balance at 30 June 2018 (Restated)	**9,806,272**	**-**	**5,531,709**	**15,337,981**
Balance at 1 July 2018	**9,806,272**	**-**	**5,531,709**	**15,337,981**
Total comprehensive profit for the period				
Profit/(loss) for the period	-	-	(221,771)	(221,771)
Total comprehensive profit for the period	**-**	**-**	**(221,771)**	**(221,771)**
Transactions with owners recorded directly in equity				
Issue of ordinary shares	4,076,742	-	-	4,076,742
Share issue cost	(249,661)	-	-	(249,661)
Cost of share based payments	-	90,832	-	90,832
Total transactions with owners recorded directly in equity	**3,827,081**	**90,832**	**-**	**3,917,913**
Balance at 30 June 2019	**13,633,353**	**90,832**	**5,309,938**	**19,034,123**

[1] Reclassifications to the comparative balance were made in relation to the treatment of convertible notes. Refer to Note 28 for details.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

In dollars	*Note*	2019	2018
Cash flows from operating activities			
Receipts from customers		2,977,273	2,786,444
Payments to suppliers and employees		(5,163,103)	(6,941,379)
Interest received		2,151	2,686
Interest paid		(26,398)	(263,917)
Reversal of provision		-	27,054
Net cash used in operating activities	*25*	**(2,210,077)**	**(4,389,112)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(167,264)	(12,639)
Investment in associates		(41,400)	-
Bond held with related party		(876,418)	-
Purchase of intangible assets		(253,496)	(58,885)
Net cash used in investing activities		**(1,338,578)**	**(71,524)**
Cash flows from financing activities			
Proceeds from issue of ordinary shares		3,911,293	4,560,000
Interest on convertible bond		(450,378)	-
Net cash generated from financing activities		**3,460,915**	**4,560,000**
Net increase/(decrease) in cash and cash equivalents		(87,740)	99,364
Cash and cash equivalents at the beginning of the period		276,968	177,604
Cash and cash equivalents at the end of the period	*8*	**189,228**	**276,968**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes to the consolidated financial statements.

1. REPORTING ENTITY

IQX Limited ("iQX" or the "Group") is a for-profit Group limited by shares which is incorporated and domiciled in Australia. These consolidated financial statements ("financial statements") as at and for the year ended 30 June 2019 comprise of the Group and its subsidiaries (collectively referred to as the "Group").

These financial statements were authorised for issue by the Board of Directors on 30 September 2019.

2. STATEMENT OF COMPLIANCE

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*. The financial statements comply with International Financial Reporting Standards ("IFRSs") adopted by the International Accounting Standards Board ("IASB").

3. GOING CONCERN

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group made a net loss of $221,771 for the year ended 30 June 2019. As at that date the Group had net current liabilities of $451,445, net assets of $19,034,123 and net operating cash outflows of $2,210,077. The net current liability position and operating net cash outflows do prima facie give rise to a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern. Despite this the directors have a reasonable expectation that the Group has adequate financial resources to continue as a going concern based on the following:

- The company's business model is based upon generating returns by acquiring early stage life science IP and with its specialist inhouse knowledge, developing the acquired IP into diagnostic or therapeutic bioscience assets. Accordingly, profits are generated by increase in the value of the assets as they are developed and reach clinical milestones. This is reflected in the net asset amount of $19,034,123 which includes access to $25,770,413 of investments recorded at fair value.

- Capital raisings by way of equity in relation to projects from its related parties within the Group and the existence of agreements to provide funds to allow iQX to operate as a going concern.

In the event that the Group does not meet the above factors, it may not be able to continue its operations as a going concern and therefore may not be able to realise its assets and discharge its liabilities in the ordinary course of operations and at the amounts stated in the financial statements.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group were not to operate as a going concern.

4. SIGNIFICANT ACCOUNTING POLICIES

This section sets out the significant accounting policies upon which the financial statements are prepared as a whole. Specific accounting policies are described in their respective notes to the financial statements. This section also shows information on new accounting standards, amendments and interpretations, and whether they are effective in the current or later years.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of preparation

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

The Group is of a kind referred to in ASIC Corporations Instrument 2016/191 and in accordance with that instrument, all financial information presented in Australian dollars has been rounded to the nearest dollar unless otherwise stated.

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

The accounting policies have been consistently applied to all periods presented in these financial statements, unless otherwise stated.

Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

InterGroup transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non- controlling interest in full, even if that results in a deficit balance.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars (AUD) at the exchange rate at the reporting date. The income and expenses of foreign operations are translated into AUD at the average exchange rate of the month in which the transaction occurs.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

Goods and Services Tax ("GST") and Value Added Tax ("VAT")

Revenues, expenses and assets are recognised net of the amount of respective GST or VAT, except where the amount of GST or VAT incurred is not recoverable from the relevant 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 the expense.

Receivables and payables are stated inclusive of the amount of GST or VAT receivable or payable. The net amount of GST or VAT recoverable from, or payable to, the taxation authority is included with other payables in the consolidated statement of financial position.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Uses of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Use of judgements and estimates (continued)

(i) Judgements

Significant judgement has been made in respect to: (a) an absence of significant influence over related party investees.

(ii) Estimates

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements, including about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the year ending 30 June 2019 are included in the following note:

- Note 19 – *Investments*.

(iii) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, management assess the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group categorises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

New Accounting Standards and Interpretations not yet mandatory or early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2019 and have not been applied in preparing these financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) AASB 16 Leases

AASB 16 is applicable to annual reporting periods beginning on or after 1 January 2019 and it will replace AASB 117 Lease and the related interpretations. The Standard introduces a comprehensive model for the identification of lease arrangements and accounting treatment for both lessors and lessees.

AASB 16 distinguishes leases and service contracts on a basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting, and are replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet) except for short-term leases and lease of low value assets. Lease expenses from short term leases and lease of low value assets are recognised as a straight-line expense over the lease term.

The right of use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments, as well as the impact of lease modifications, amongst others. Depreciation of the right of use asset and interest on the lease liability will be recognised over the lease term. Furthermore, the classification of cash flows will also be affected as operating lease payments under AASB 117 are presented as operating cash flows; whereas under the AASB 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operative cash flows respectively.

AASB 16 becomes mandatory for the Group's 2020 financial statements and removes the classification of leases between finance and operating leases, effectively treating all leases as finance leases for the lessee. The standard must be implemented retrospectively, either with the restatement of comparatives or with the cumulative impact of application recognized on the date of adoption under the modified retrospective approach. The Group will therefore adopt this standard for the financial period beginning 1 July 2019.

As at the reporting date, the Group has non-cancellable operating lease commitments of $3.6m. The Group plans to apply the modified retrospective approach at transition. The Group expects to recognise right-of-use assets of approximately $2.9m and lease liabilities of $2.9m on 1 July 2019.

New or amended Accounting Standards and Interpretations adopted

A number of new or amended standards became applicable for the current reporting period:

- AASB 9 *Financial Instruments*; and
- AASB 15 *Revenue from Contracts with Customers*

The impact of the adoption of these standards and the new accounting policies are disclosed below.

(i) AASB 9 Financial Instruments

In December 2014, the Australian Accounting Standards Board ("AASB") issued the final version of AASB9 *Financial Instruments* ("AASB 9"), and AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2014).

AASB 9 is the final version of a new principal standard that consolidates requirements for the classification and measurement of financial assets and liabilities, hedge accounting and impairment of financial assets. AASB 9 supersedes all previously issued and amended versions of AASB 139 *Financial Instruments: Recognition and Measurement*.

In relation to the impairment of financial assets, the Group applies the simplified approach to recognise lifetime expected credit losses ("ECL") for trade and other receivables. AASB 9 did not have a significant impact on the Group's consolidated financial statements for the year, particularly given the short-term nature of the Group's receivables.

The adoption resulted in an additional immaterial provision expense of $5,425 for the year ended 30 June 2019.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting policy of financial assets and liabilities – recognition and derecognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risk and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged or cancelled or has expired.

Classification and initial measurement of financial assets

Financial assets are classified according to their business model and characteristics of their contractual flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price when the right to consideration becomes unconditional in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at amortised costs;
- Financial assets at fair value through profit or loss (“FVTPL”);
- Debt instruments at fair value through other comprehensive income (“FVTOCI”); or
- Equity instruments at FVTOCI

All income and expenses relating to financial assets that are recognised in profit or loss are presented within other income or finance costs, except for impairment of trade receivables. The entity does not have any debt instruments at FVTOCI or equity instruments at FVTOCI.

Financial assets at amortised cost

The Group’s trade and most other receivables fall into this category of financial instruments and are accounted for at amortised cost using the effective interest method.

Financial assets at FVTPL

Investments in equity instruments fall into this category unless the Group irrevocably elects at inception to account for them as equity instruments at FVTOCI. The Group has not made this election and will continue to account for its investments in equity instruments at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments. The Group currently does not hold any derivative financial instruments.

Trade and other receivables and other current assets

The Group makes use of a simplified approach in accounting for the impairment of trade and other receivables as well as other current assets and records the loss allowance at the amount equal to the lifetime ECL. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. From this calculation, it was determined that the ECL in trade and other receivables was immaterial to be disclosed separately.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Group's financial liabilities were not impacted by the adopted of AASB 9.

The Group's financial liabilities include trade and other payables, contract liabilities and employee benefit liabilities. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at FVTPL.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within other income or finance costs.

(ii) AASB 15 Revenue from contracts with customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces AASB 118 Revenue and related interpretations.

The core principle of AASB 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a five-step approach to revenue recognition:

- Step 1: identify the contract(s) with a customer
- Step 2: identify the performance obligations in the contract;
- Step 3: determine the transaction price;
- Step 4: allocate the transaction price to the performance obligations in the contract; and
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Management of the Group reviewed the customer contracts, defined a relevant portfolio basis where applicable and assessed the impact on revenue recognition by the adoption of AASB 15.

The Group generates revenue (as reported in Note 5) through financial services fees and office and shared services revenue with related party entities. These services are rendered based on either a fixed price or an hourly rate. The revenue for these services is recognised over the service period which aligns with the delivery of the performance obligation (provision of services).

The Group has adopted AASB 15 from 1 July 2018, using the modified retrospective approach, with the effect of initially applying this standard recognised at the date of application. Therefore, comparative prior periods have not been adjusted and continue to be reported under AASB 118.

Management have completed their evaluation of the contracts against the 5-step approach noted above, and based on this evaluation have determined that other than additional disclosures required, the implementation of AASB 15 has resulted in no material change and financial impact on the Group's revenue recognition.

5. OPERATING SEGMENTS

The Group has identified operating segments based on internal reporting that is reviewed and used by the chief operating decision makers (the Group CEO and the Group Chief Financial and Operating Officer) in assessing the performance of the respective segments. The operating segments are identified by management based on the nature of services provided, with each operating segment representing a strategic business that serves a different segment of the market.

In FY 2019 the Group has two revenue streams being: (1) financial services fees charged; and (2) office and shared services fees charged. Segment analysis of revenue is provided below.

Information on net profit and assets by segment is not provided to the chief operating decision makers.

In dollars	2019	2018
Fees – financial services	593,334	207,727
Office and shared services revenue	2,139,198	1,552,309
Total revenue	**2,732,532**	**1,760,036**

Information on geographical segments

One hundred percent of the Group's revenue, expenses and profit are derived in Australia.

Reliance on major customers

Five related party entities represent more than 10% of the FY 2019 revenue. Total revenue from these major customers amount to $2,345,959 (86%) of total revenue.

6. REVENUE

In dollars	2019	2018
Fees – financial services	593,334	207,727
Office and shared services revenue	2,139,198	1,552,309
Total revenue	**2,732,532**	**1,760,036**

6. REVENUE (CONTINUED)

Significant accounting policies:

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

7. INCOME AND EXPENSES

(a) Other income

In dollars	2019	2018
Interest income	61,147	2,695
Change in fair value of financial asset	5,400,000	71,598
Total other income	**5,461,147**	**74,293**

(b) Finance costs

In dollars	2019	2018
Bank fees	14,620	10,819
Interest expense	844,936	494,163
Total finance costs	**859,556**	**504,982**

7. INCOME AND EXPENSES (CONTINUED)

(c) Employee benefits expenses

In dollars	2019	2018
Wages and salaries	1,766,635	1,697,687
Compulsory superannuation contributions	156,217	158,066
Increase in liability for annual leave	45,632	5,717
Increase in liability for long service leave	21,778	18,202
Total employee benefit expense	**1,990,262**	**1,879,672**

(d) Other expenses

In dollars	2019	2018
Accounting and legal fees	173,400	56,265
Advertising and marketing	70,918	8,902
Insurance	149,125	154,736
Software and licensing	226,510	210,093
Travel and accommodation	13,172	4,806
Recruitment fees	163,368	65,861
Exchange and listing fees	37,623	60,265
Office and administration	345,779	179,289
Other	437,110	697,432
Total other expenses	**1,617,005**	**1,437,649**

8. CASH

In dollars	2019	2018
Bank balances	189,228	276,968

Significant accounting policies:

Cash and cash equivalents includes 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 changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

9. INCOME TAXES

(a) Income tax expense recognised in the Statement of Profit or Loss

In dollars	**2019**	**2018 (Restated)[1]**
Profit/(loss)	293,611	(3,674,002)
Effective tax rate	27.5%	27.5%
Sub-total	80,743	(1,010,351)
Tax effect of:		
Expenditure not allowed for income tax purposes	446,749	(89,607)
Temporary differences not brought to account	-	54,429
Deferred tax assets not brought to account	-	980,417
True up adjustments	(69,695)	(889,188)
Other adjustments	83,265	-
Tax adjustment on consolidation	(25,680)	-
Income tax (benefit)/expense	**515,382**	**(954,300)**

[1] Comparative figures have been restated as a result of corrections to the prior period. Refer to Note 28 for details.

(b) Deferred tax balances recognised in the Statement of Financial Position

Consolidated – 2019

In dollars	Opening Balance	Prior year adjustments	Recognised in profit or loss	Acquisitions and other	Closing Balance
Deferred tax assets					
Property, plant and equipment	-	72,776	173,932	-	246,708
Prepayment and provisions	85,310	(14,754)	26,710	-	97,266
Other items	1,318	-	-	(1,318)	-
Capital raising cost	(5,343)	152,146	96,810	-	243,613
Prior years losses carried forward	2,828,249	-	-	-	2,828,249
Current year losses	-	-	764,185	-	764,185
Total deferred tax assets balance at 30 June 2019	**2,909,534**	**210,168**	**1,061,637**	**(1,318)**	**4,180,021**
Deferred tax liabilities					
Property, plant and equipment	4,507	(50,235)	2,006	-	(43,722)
Prepayment and provisions	(2,095)	2,311	62,713	-	62,929
Capital raising cost	-	-	13,731	-	13,731
Other items	-	-	13,569	49,888	63,457
Financial Instruments	5,225,000	131,396	1,485,000	-	6,841,396
Total deferred tax liabilities balance at 30 June 2019	**5,227,412**	**83,472**	**1,577,019**	**49,888**	**6,937,791**
Net deferred tax asset/(liability)	**(2,317,878)**	126,696	**(515,382)**	**(51,206)**	**(2,757,770)**

9. INCOME TAXES (CONTINUED)

(b) Deferred tax balances recognised in the Statement of Financial Position (Continued)

Consolidated – 2018

In dollars	Opening Balance	Prior year adjustments	Recognised in profit or loss	Acquisitions and other	Closing Balance
Deferred tax assets[1]					
Property, plant and equipment	85,310	-	-	-	85,310
Prepayment and provisions	-	-	-	-	-
Other items	-	-	1,655	(337)	1,319
Capital raising cost	(5,343)	-	-	-	(5,343)
Prior years losses carried forward	1,939,061	-	889,188	-	2,828,249
Total deferred tax assets balance at 30 June 2018	**2,019,028**	**-**	**890,843**	**(337)**	**2,909,534**
Deferred tax liabilities[1]					
Property, plant and equipment	67,964	-	(63,457)	-	4,507
Prepayment and provisions	(2,095)	-	-	-	(2,095)
Financial Instruments	5,225,000	-	-	-	5,225,000
Total deferred tax liabilities balance at 30 June 2018	**5,290,869**	**-**	**(63,457)**	**-**	**5,227,412**
Net deferred tax asset/(liability)	**(3,271,841)**	**-**	**954,300**	**(337)**	**(2,317,878)**

[1]Deferred tax comparative figures have been presented as gross figures on the Statement of Financial Position in the 2019 financial statements. This was presented as net figures in the 2018 financial statements.

9. INCOME TAXES (CONTINUED)

Significant accounting policies

Current tax

The income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the application income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. 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 losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations when the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to the offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The Group presents the deferred tax balances as gross figures in the financial statements.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

10. TRADE AND OTHER RECEIVABLES

In dollars	2019	2018
Other receivables	140,330	273,832
Related party receivables	865,205	644,194
Bank guarantee[1]	331,387	331,387
Total trade and other receivables	**1,336,922**	**1,249,413**
Current	1,005,535	918,026
Non-current	331,387	331,387
Total trade and other receivables	**1,336,922**	**1,249,413**

[1] Provision of bank guarantee relating to the lease agreement for 85 Castlereagh Street, Sydney, NSW 2000.

Significant accounting policies

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30-60 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. The loss is recognised in profit or loss within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses in the profit or loss.

11. PROPERTY, PLANT AND EQUIPMENT

Cost

In dollars	Furniture, fixtures and fittings	Leasehold improvements	Plant and equipment	Total
Balance at 1 July 2017	**72,874**	**146,284**	**85,311**	**304,469**
Additions	12,233	155,838	70,801	238,872
Disposal	(31,328)	(143,202)	(7,204)	(181,734)
Effect of movement in foreign exchange	(3,968)	-	-	(3,968)
Balance at 30 June 2018	**49,811**	**158,920**	**148,908**	**357,639**
Additions	45,502	97,266	24,796	167,264
Balance at 30 June 2019	**95,313**	**256,186**	**173,404**	**524,903**

Accumulated depreciation

In dollars	Furniture, fixtures and fittings	Leasehold improvements	Plant and equipment	Total
Balance at 1 July 2017	**13,056**	**51,880**	**36,209**	**101,145**
Depreciation expense	7,070	11,135	17,721	35,926
Disposal	(7,670)	(57,987)	(5,219)	(70,876)
Effect of movement in foreign exchange	(12)	-	-	(12)
Balance at 30 June 2018	**12,444**	**5,028**	**48,711**	**66,183**
Depreciation expense	17,172	22,374	36,383	75,929
Balance at 30 June 2019	**29,616**	**27,402**	**85,094**	**142,112**

Carrying amount

In dollars	Furniture, fixtures and fittings	Leasehold improvements	Plant and equipment	Total
Carrying balance at 30 June 2018	**37,367**	**153,892**	**100,197**	**291,456**
Carrying balance at 30 June 2019	**65,697**	**228,784**	**88,310**	**382,791**

11. PROPERTY, PLANT, AND EQUIPMENT (CONTINUED)

Significant accounting policies

Carrying value

All property, plant and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the business and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the profit or loss during the reporting period.

Depreciation

Depreciation of assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter lease term as follows:

- Leasehold improvements – 5 to 10 years
- Plant and equipment – 5 to 10 years
- Furniture, fittings and equipment – 10 to 20 years

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

12. INTANGIBLE ASSETS

In dollars	Trademark	Website and software	Development costs	Total
Cost				
Cost at 1 July 2017	**4,000**	**172,346**	**205,503**	**381,849**
Additions	-	983,000	244,305	1,227,305
Balance at 30 June 2018	**4,000**	**1,155,346**	**449,808**	**1,609,154**
Additions	-	-	253,496	253,496
Balance at 30 June 2019	**4,000**	**1,155,346**	**703,304**	**1,862,650**

12. INTANGIBLE ASSETS (CONTINUED)

In dollars	Trademark	Website and software	Development costs	Total
Accumulated Amortisation				
Balance at 1 July 2017	-	18,136	-	18,136
Amortisation expense	-	77,338	-	77,338
Write off/Impairment		-	369,266	369,266
Balance at 30 June 2018	**-**	**95,474**	**369,266**	**464,740**
Amortisation expense	-	-	-	-
Write off/Impairment	-	1,059,872	334,038	1,393,910
Balance at 30 June 2019	**-**	**1,155,346**	**703,304**	**1,858,650**

In dollars	Trademark	Website and software	Development costs	Total
Carrying amounts				
Balance at 30 June 2018	**4,000**	**1,059,872**	**80,542**	**1,144,414**
Balance at 30 June 2019	**4,000**	**-**	**-**	**4,000**

Significant accounting policies

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss and other comprehensive income when the asset is derecognised.

Amortisation

Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss and other comprehensive income as the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

12. INTANGIBLE ASSETS (CONTINUED)

Impairment

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

At the end of the period the Group tested the intangibles for impairment by reviewing potential indicators of impairment. The testing completed at 30 June 2019 resulted in impairment losses of $1,393,910.

Website and software

Costs incurred in acquiring website software and licenses that will contribute to future financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over periods generally ranging from three to five years.

Website development costs include only those directly attributable to the development phase and are only recognised following completion of technical feasibility and where the business has an intention and ability to use the asset. The website and software have finite useful life and are amortized as follows:

- Website and software – 3 years

Research and development costs

Research expenditure is recognised as an expense as incurred.

Development costs include externally acquired and internally generated costs of materials and services, which can be directly attributable to the development activities of acquiring or generating an intangible asset.

Costs incurred on development projects (relating to the design and testing of new or improved intangible assets) are recognised only when it is probable that the future economic benefits that are attributable to the asset will flow to the Group, the cost of the asset can be measured reliably, technical and commercial feasibility of the asset for sale or use have been established, and the Group intends and is able to complete the intangible asset and either use it or sell it.

Capitalised development costs are recorded as an intangible asset and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

13. TRADE AND OTHER PAYABLES

In dollars	**2019**	2018
Trade payables	653,632	429,979
Sundry payables and accrued expenses	538,752	169,271
Related party payables	537,425	273,368
Total trade and other payables	**1,729,171**	872,618
Current	1,729,809	872,618
Non-current	-	-
Total trade and other payables	**1,729,809**	872,618

Significant accounting policies

Trade and other payables represent liabilities for goods and services provided to the business prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

14. EMPLOYEE BENEFIT LIABILITIES

In dollars	**2019**	**2018**
Liability for annual leave		
Opening balance	106,900	101,182
Additional provision	84,595	120,918
Utilisation	(38,964)	(115,200)
Closing Balance	152,531	106,900
Liability for long service leave		
Opening balance	42,806	24,604
Additional provision	21,778	18,202
Utilisation	-	-
Closing Balance	64,584	42,806
Liability for superannuation	62,325	54,436
Liability for bonus	-	-
Liability for payroll	(491)	97,458
Total employee benefit liabilities	**278,949**	**301,600**
Current	214,365	258,794
Non-current	64,584	42,806
Total employee benefit liabilities	**278,949**	**301,600**

14. EMPLOYEE BENEFIT LIABILITIES (CONTINUED)

Significant accounting policies

Employee benefits represents amounts accrued for employee payroll, superannuation, annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled in the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods to service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

15. BORROWINGS

In dollars	**2019**	**2018**
Convertible notes[1]	4,401,020	4,017,862
Current	-	-
Non-current	4,401,020	4,017,862
Total convertible notes	**4,401,020**	**4,017,862**

[1] Reclassifications to the comparative balance were made in relation to the treatment of convertible notes. Refer to Note 28 for details.

Significant accounting policies

Convertible notes are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible notes, the fair value of the liability component is estimated using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. Transaction costs are deducted from equity. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible notes based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

16. ISSUED CAPITAL

	Number of shares	$
In issue at 1 July 2017	**117,835,900**	**6,252,842**
Conversion of notes previously classified as liability	8,826,472	3,001,000
Allotment of shares from employee share plan	396,000	3,960
Issue of convertible bond	-	1,664,068
Share and note issue costs	-	(163,432)
In issue at 30 June 2018	**127,058,372**	**10,758,438**
Adjustment to correct prior period[1]		**(952,166)**
In issue at 30 June 2018 (Restated)	**127,058,372**	**9,806,272**
Issue of shares	15,099,049	4,076,742
Share and note issue costs	-	(249,661)
In issue at 30 June 2019	**142,157,421**	**13,633,353**

[1] Reclassifications to the comparative balance were made in relation to the treatment of convertible notes. Refer to Note 28 for details.

All ordinary shares rank equally with regard to the Group's residual assets. The holders of these shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Group.

The Group does not have authorised capital or par value in respect of its shares. All issued shares are fully paid.

Dividends

No dividends were declared or paid by the Group for the year (2018:$nil).

Significant accounting policies

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

17. EARNINGS PER SHARE (EPS)

The calculation of basic earnings per share has been based on the following loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(Loss)/profit attributable to ordinary shareholders

In dollars	2019	2018 (Restated)[1]
Loss for the period attributable to owners of iQX Limited	(221,771)	(2,719,702)
Weighted-average number of ordinary shares at the end of the period	133,602,522	123,293,277
Basic loss per share	(0.17)	(2.21)
Diluted loss per share	(0.17)	(2.21)

[1] Comparative figures have been restated as a result of corrections to the prior period. Refer to Note 28 for details.

Basic earnings/(loss) per share is calculated as earnings for the period attributable to the Group over the weighted average number of shares.

Diluted earnings/(loss) per share is calculated as earnings for the period attributable to the Group over the weighted average number of shares which has been adjusted to reflect the number of shares which would be issued if outstanding options were to be exercised.

There were no outstanding options at 30 June 2019 and 30 June 2018.

18. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT

Accounting classifications and fair values

The Group has financial assets of cash and cash equivalents, trade and other receivables, and shares in listed and unlisted companies, and investment in unit trusts. The shares in a listed Group are valued at fair value. The shares in unlisted companies carried at fair value through profit or loss are initially recognised at cost at accounting trade date. The remaining financial assets are not measured at fair value, and the carrying amount is a reasonable approximation of fair value at 30 June 2019.

The Group has financial liabilities of trade and other payables. These financial liabilities are not measured at fair value, and the carrying amount is a reasonable approximation of fair value at 30 June 2019.

Financial risk management

There have been no substantive changes in the types of risk the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risk from the previous period. The Group has exposure to the following risk arising from financial instruments:

a. credit risk – refer (ii)
b. liquidity risk – refer (iii)
c. market risk – refer (iv)

(i) Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Audit and Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

18. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all workplace participants understand their roles and obligations.

The Board of Directors has also established a Finance Committee, consisting of senior executives of the Group, which meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The finance committee's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance. The finance committee operates under policies approved by the Board of Directors.

(ii) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 10.

Trade and other receivables

The main source of credit risk to the Group is considered to relate to the class of assets described as trade and other receivables. Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are detailed in Note 10.

No collateral is held over other receivables.

Impairment

The aging of the trade and other receivables that were not impaired as at 30 June 2019 are set out in the following table.

In dollars	2019	2018
Neither past due nor impaired	919,511	1,249,413
30 to 90 days past due but not impaired	261,113	-
Over 90 days due but not impaired	156,298	-
Total trade and other receivables not impaired	**1,336,922**	**1,249,413**

Cash and cash equivalents

The Group held cash and cash equivalents of $189,228 at 30 June 2019 (2018: $276,968). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated AA- to AA+, based on rating agency Standard and Poor's ratings.

18. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT (CONTINUED)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group aims to maintain cash at a level appropriate to fund operations. At 30 June 2019, the expected cash flows from trade and other receivables maturing within two months were $1,005,535.

Non-derivative financial liabilities

In dollars	**Within 1 year**		**1 to 5 years**		**Over 5 years**		**Total**	
	2019	2018	2019	2018	2019	2018	2019	2018
Trade and other payables	1,729,811	872,618	-	-	-	-	1,729,811	872,618
Convertible notes	-	-	4,401,020	4,017,682	-	-	4,401,020	4,017,682
Total non-derivative financial liabilities	**1,729,811**	**872,618**	**4,401,020**	**4,017,682**	**-**	**-**	**6,130,831**	**4,890,300**

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is not sensitive to changes in foreign exchange rates, interest rate and equity prices.

(v) Currency risk

The Group's exposure to foreign currency risk is limited due to the natural hedge afforded to the Group by purchasing and selling in local currency in all countries in which it operates. The Group does not hold any foreign currency contracts.

19. INVESTMENTS

Set out below are the subsidiaries and associates of the Group as at 30 June 2019 which, in the opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interest is the same as the proportion of voting rights held for all the associates.

(a) Interests in subsidiaries and associates

Entity name	Country of incorporation	Ownership interest 2019	Ownership interest 2018
Subsidiaries			
iQX Investment Services Pty Ltd	Australia	100%	100%
The iQ Group Global Pty Ltd	Australia	100%	100%
iQ Capital Partners (No. 1) Pty Ltd	Australia	100%	100%
iQ Series 8 Life Science Fund (Global) Pty Ltd	Australia	100%	100%
iQ Series 8 GP	Cayman Islands	100%	100%
Associates			
New Frontier Holdings LLC (“New Frontier”)	USA	20%	20%
Nereid Enterprises Pty Ltd	Australia	20%	20%
Nereid Enterprises LLC	USA	20%	20%

Nereid Enterprises Pty Ltd provides corporate events and promotional services to the healthcare industry and related parties of iQX Limited.

(b) Investment in associates accounted for using equity method

None of the associates are listed on a stock exchange. The investments in associates are equity accounted.

In dollars	2019	2018
(i) Summarised statement of comprehensive income		
Revenue	36,809	54,101
Loss from continuing operations	(391,039)	(198,283)
Other comprehensive income	145,487	1,206
Total comprehensive loss	**(245,552)**	**(197,077)**
(ii) Summarised balance sheet		
Total current assets	13,026	10,381
Total non-current assets	1,092,651	1,158,359
Total current liabilities	(3,932)	(28,441)
Net assets	**1,101,746**	**1,140,299**
(iii) Reconciliation to carrying amount		
Opening balance as at 1 July 2018	1,140,299	1,100,565
Additional investment	206,999	68,387
Loss for the period	(391,039)	(28,653)
Other comprehensive income	145,487	-
Net asset balance at 30 June 2019	**1,101,746**	**1,140,299**
Consolidated entity’s share in %	20%	20%
Carrying amount as at 30 June 2019	**220,349**	**228,060**

19. INVESTMENTS (CONTINUED)

(c) Financial assets carried at fair value through profit or loss – designated on initial recognition

In dollars	2019	2018
Shares in unlisted companies	24,871,598	19,471,598
Total financial assets carried at fair value through profit or loss	**24,871,598**	**19,471,598**

(d) Available for sale financial assets

In dollars	2019	2018
Shares in listed companies	14,250	11,250
Investments in unit trusts	8,147	16,370
Total available for sale financial assets	**22,397**	**27,620**

(e) Financial assets carried at amortised cost

In dollars	2019	2018
Bond held with related party	876,418	-
Total financial assets carried at amortised cost	**876,418**	**-**

Significant accounting policies

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to or has rights to variable rates of returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associates are accounted for in the Group's financial statements using the equity method of accounting, after initially being recognised at cost.

The Group's share of the associates post-acquisition profits or losses are recognised in the statement of profit or loss, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Financial assets carried at fair value

Other financial assets are carried at fair value, or the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

The Group discloses the fair value measurements by level using the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets (level 1);

19. INVESTMENTS (CONTINUED)

- inputs other than quoted prices included within level 1 that are observable that are observable for the asset, either directly (as prices) or indirectly (derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Bond held with related party

Bond held with related party, iQN Limited is initially recognised at fair value and subsequently measured at amortised cost.

Shares in listed companies and unit trusts

Shares in listed companies and unit trusts are initially recognised at cost at accounting trade date. Shares in listed companies and unit trusts that have an interest in listed companies are subsequently carried at fair value using level 1 fair value measurement inputs. Any subsequent increase or decrease in fair value is recognised in other comprehensive income.

Gains and losses arising from shares in listed companies are only recognised in the profit or loss when they are sold or impaired.

Shares in unlisted companies

The Group designate share in unlisted companies as fair value through profit or loss where performance is evaluated on a total return basis comprising both income and fair value; and where fair value can be reliably measured. Shares in unlisted companies carried at fair value through profit or loss are initially recognised at cost at accounting trade date. They are subsequently carried at fair value using level 2 and level 3 fair value measurement inputs. Any subsequent increase or decrease in fair value is recognised in profit or loss. Gains and losses arising from shares in unlisted companies are only recognised in the profit or loss when they are sold or impaired.

20. FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Unobservable inputs for the asset or liability.

20. FAIR VALUE MEASUREMENT (CONTINUED)

Consolidated – 2019

In dollars	Level 1	Level 2	Level 3	Total
Assets				
Shares in unlisted companies	-	24,871,598	-	24,871,598
Shares in listed companies	14,250	-	-	14,250
Bond held with related party	-	876,418	-	876,418
Investments in quoted unit trusts	8,147	-	-	8,147
Total assets	**22,397**	**25,748,016**	**-**	**25,770,413**
Liabilities				
Convertible notes	-	4,401,020	-	4,401,020
Total liabilities	**-**	**4,401,020**	**-**	**4,401,020**

Consolidated – 2018

In dollars	Level 1	Level 2	Level 3	Total
Assets				
Shares in unlisted companies	-	19,471,598	-	19,471,598
Shares in listed companies	11,250	-	-	11,250
Investments in quoted unit trusts	16,370	-	-	16,370
Total assets	27,620	19,471,598	-	19,499,218
Liabilities				
Convertible notes[1]	-	4,017,862	-	4,017,862
Total liabilities	-	**4,017,862**	**-**	**4,017,862**

[1] Reclassifications to the comparative balance were made in relation to the treatment of convertible notes. Refer to Note 28 for details.

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The gain recognised in profit or loss for the period from level 2 valuations is $5,400,000 (2018: $71,598).

20. FAIR VALUE MEASUREMENT (CONTINUED)

Valuation techniques for fair value measurements (Level 2)

The level 2 financial assets carried at fair value through profit or loss is $24,871,598.

The shares in unlisted companies were revalued on 30 June 2019 based on internal assessments performed by management, with reference to independent private placements made in the investment vehicle.

The planned listing of the underlying investment will entail 12% of the total equity of which iQX Limited owns 19% of the issued capital being listed. Independent pre-IPO investors have valued the shares in the underlying entity at $128,333,096.

Significant accounting policies

Assets and liabilities measured at fair value are classified into three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

21. SHARE BASED PAYMENTS

Share based compensation benefits are provided to employees via the Employee Benefit Plan. This is a plan under which directors, employees may become holders of Options and Performance Rights to acquire beneficial interests in the Shares of the Group. The object of this Plan is to help the Group recruit, reward, retain and motivate its directors and employees. After 12 months of service an employee will annually receive a lot of shares based on an agreed quantity per their individual employment contract. The shares granted under this employee share plan will vest after an employee has served a further 3 years after receiving rights to the shares.

The inputs for the rights granted during the year ended 30 June 2019 included:

- Grant date: After 12 months of service from director/employee commencement date;
- Rights are granted for no consideration;
- Share price: Share price at the grant date (after 12 months of service);
- Vesting date: 3 years after receiving rights to shares.

For the year ended 30 June 2019, the Group has recognised $90,832 share-based payment expense in the consolidated statement of profit or loss (2018: nil).

21. SHARE BASED PAYMENTS (CONTINUED)

Significant accounting policies:

Share based compensation benefits are provided to employees via the Employee Benefit Plan. The fair value of equity-settled share-based payments is recognised as an expense proportionally over the vesting period with a corresponding increase in equity. The fair value of instruments is calculated under the grant date model where the Group measures the fair value of a share-based payment award issued to an employee on the grant date and recognised over the period during which the employees become unconditionally entitled to shares.

The fair value is calculated at grant date as the fair value of each share granted multiplied by the number of shares expected to eventually vest. There is a service condition (non-market vesting condition) which is taken into account by adjusting the number of shares which will eventually vest and are not taken into account in the determination of the grant date fair value.

22. OPERATING LEASES

The Group lease an office facility (Level 9, 85 Castlereagh Street, Sydney) under an operating lease. The lease is non-cancellable and runs for a period of 5 years, with an option to renew the lease after that date. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by 4.25% per annum. The lease allows for subletting of all lease areas.

Future minimum lease payments

As at 30 June 2019, the future minimum lease payments under non-cancellable leases were payable as set out in the following table.

In dollars	2019	2018
Less than 1 year	694,393	113,305
Between 1 and 5 years	2,916,331	618,998
More than 5 years	-	-
Total future minimum lease payments	**3,610,724**	**732,303**

23. CONTINGENCIES

The Group has no contingent liabilities or assets as at the reporting date (2018: None).

24. TRANSACTIONS WITH RELATED PARTIES

(i) Parent and ultimate controlling party

iQX Limited was the parent and ultimate controlling party of the Group throughout the year ended 30 June 2019.

(ii) Key management personnel compensation

The key management personnel compensation is set out in the table below.

In dollars	2019	2018
Short-term employee benefits	717,808	720,649
Post-employment benefits	62,335	68,461
Share based payment	48,960	52,920
Total key management personnel compensation	**829,103**	**842,030**

Compensation of the Group's key management personnel includes salaries and non-cash benefits. Executive officers also participate in the Group's employee incentive plan.

Further details of key management personnel compensation are included in the Remuneration Report within the Directors' Report.

(iii) Transactions with other related parties

The Group transacted with the following related companies. Transactions with other related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Entity name	Relationship
iQnovate Ltd and controlled entities	Common directorship and/ key management personnel
iQ3Corp Ltd and controlled entities	Common directorship and/ key management personnel
Nereid Enterprises Pty Ltd	An Associate with common directorship and/key management personnel

The aggregate value of transactions and outstanding balances relating to subsidiaries and associates are set out in the following table.

In dollars	2019	2018
Financial services fees received from related parties	593,334	207,727
Shared services fees received from related parties	2,139,198	1,552,309
Total revenue and other income received from related parties	**2,732,532**	**1,760,036**
Payment of shared services fees to related parties	531,036	636,253
Other transaction and administrative costs paid to related parties	-	190,839
Total costs paid to related parties	**531,036**	**827,092**
Trade and other payable accounts with related parties	(537,425)	(273,368)
Trade and other receivable accounts with related parties	865,205	644,194
Bond with related party	876,418	-
Net receivable/(payable) from related parties	**1,204,198**	**370,826**

24. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

(iii) Details of associates

Name	Country of incorporation	Ownership interest 30 June 2019	Ownership interest 30 June 2018
New Frontier Holdings LLC	USA	20%	20%
Nereid Enterprises Pty Ltd	AUS	20%	20%
Nereid Enterprises LLC	USA	20%	20%

25. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

In dollars	2019	2018
Cash flows from operating activities		
Loss for the period	(221,771)	(2,719,702)
Adjustments for:		
Depreciation and amortisation	75,929	113,265
Implied interest on convertible notes	394,560	290,546
Impairment/write off of intangible assets	1,393,910	369,266
Reversal of provision	-	27,054
Revaluation of financial assets through profit or loss	(5,400,000)	-
Non-cash capital raising fees	145,129	-
Share based payments expense	90,832	-
Share of loss from associated companies	49,111	28,653
Taxation – Movement in deferred taxes	439,892	(889,187)
Development cost write-off classified as investing cashflow	253,497	-
Other non-cash items	(38,638)	-
	(2,817,549)	**(2,780,106)**
Changes in:		
Trade and other receivables	(87,509)	1,181,791
Prepayments	(139,560)	(50,584)
Trade and other payables	857,193	(2,648,466)
Employee benefit liabilities	(22,652)	(91,747)
	607,472	**(1,609,006)**
Net cash used in operating activities	**(2,210,077)**	**(4,389,112)**

26. AUDITORS' REMUNERATION

In dollars	**2019**	**2018**
Audit and review services		
Auditors of the Group at June 2019 – BDO	31,500	-
Auditors of the Group at June 2018 – RSM Australia Partners		31,500
Auditors of the Group at December 2018 – RSM/Fortunity	18,396	5,800
Other services		
Auditors of the Group at June 2019 – BDO	17,530	-
Auditors of the Group at December 2018 – RSM/Fortunity	-	-

27. PARENT ENTITY FINANCIAL INFORMATION

Financial information for the parent entity, iQX Limited, is as follows:

In dollars	**2019**	**2018**
Assets		
Current assets	604,389	2,642,284
Non-current assets	31,560,258	20,457,930
Total assets	**32,164,648**	**23,100,214**
Liabilities		
Current liabilities	857,639	248,502
Non-current liabilities	11,336,290	5,366,618
Total liabilities	12,193,929	5,615,120
Net assets	**19,970,718**	**17,485,094**
Equity		
Issued capital	13,633,353	11,560,604
Reserves	90,832	-
Retained earnings	6,246,533	5,924,490
Total equity	**19,970,718**	**17,485,094**
Net profit/(loss)	**340,550**	**(2,326,306)**
Total comprehensive income/(loss)	**340,550**	**(2,326,306)**

28. CORRECTION OF PRIOR PERIOD ERROR

Convertible notes

At the end of the period, the Group reviewed the classification of the convertible notes and determined that there were debt amounts recorded in contributed equity which should have been transferred to borrowings. The reclassification required is due to the omission of coupon payments in calculating the fair value of the liability component of the convertible notes. The error identified has been adjusted retrospectively by restating the comparative amounts in which the error occurred. As a result of this:

- The balance of non-current borrowings was increased by $952,166 to $4,017,862 as at 30 June 2018 as a prior period adjustment;
- The balance of contributed equity was reduced by the same amount of $952,166 to $9,806,272 as at 30 June 2018 as a prior period adjustment.

There was no material impact on the Statement of Cash Flows or earnings per share reported in the prior period.

Deferred tax assets

At the end of the period, the Group reviewed the deferred tax assets balance and determined that there were carried forward losses not taken up in the correct period. The correction required is due to carried forward losses relating to the prior year being taken up in the current year. The error identified has been adjusted retrospectively by restating the comparative amounts in which the error occurred. As a result of this:

- The balance of deferred tax assets was increased by $889,188 to $2,909,534 as at 30 June 2018 as a prior period adjustment;
- The balance of the income tax benefit was increased by the same amount of $889,188 to $954,300 as at 30 June 2018 as a prior period adjustment and;
- The balance of closing retained earnings increased by the same amount (as a result of the increase in the income tax benefit) of $889,188 to $5,531,709 as at 30 June 2018 as a prior period adjustment.

The loss per share decreased from 2.93 cents to 2.21 cents for the year ended 30 June 2018 as a result of this correction.

There was no material impact on the Statement of Cash Flows.

29. SUBSEQUENT EVENTS

Subsequent to year end, on the 16th September 2019, OncoTEX Inc, a company in which iQX Ltd has a 19% interest in, acquired a novel anticancer drug platform (TEX Core) from the University of Texas and MD Anderson Cancer Centre. TEX Core is an anticancer drug platform that has the ability to develop a range of well-tolerated, MRI-detectable cancer therapeutics that target drug-sensitive and drug-resistant solid tumors.

The investments in OncoTEX is valued as at $ nil as at 30 June 2019. Management has not revalued the valuation of the OncoTEX as at 30 June 2019, as management is still assessing the value of OncoTEX.

There has not arisen in the interval between the end of the financial year and the date of this report other than that disclosed above any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors to affect significantly the operations or state of affairs of the Group in future financial years.

1. In the opinion of the Board of Directors of iQX Limited ("the Group"):

   a. the consolidated financial statements and notes that are set out on pages 26 to 63 are in accordance with the *Corporations Act 2001*, including:

      I. giving a true and fair view of the financial position as at 30 June 2019 of the Group and its controlled entities ("the Group") and of the Group's performance for the financial year ended on that date; and

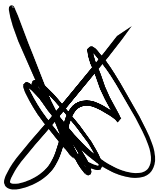
      II. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

   b. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and acting Chief Financial Officer for the financial year ended 30 June 2019.

3. The Directors draw attention to Note 2 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of Directors.



Dr George Syrmalis
Executive Director and Chief Executive Officer

Sydney

30th September 2019

Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of iQX Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of iQX Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material uncertainty related to going concern

We draw attention to Note 3 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Fair value of the investment in Life Science Biosensor Diagnostics (LSBD) Pty Ltd

Key audit matter	*How the matter was addressed in our audit*
The company`s investment in LSBD Pty Ltd is accounted for as a financial asset carried at fair value through profit or loss for which the accounting treatment was designated on initial recognition. During current year the fair value was adjusted to reflect an amount of $24,400,000 as at 30 June 2019 (compared to a fair value of $19,000,000 as at 30 June 2018). The fair value of the financial asset was identified as a key audit matter because of the extent of judgement and complexities involved in computation.	Our audit procedures to address the key audit matter included, but were not limited to, the following: • Reviewing and confirming whether the accounting treatment is in accordance with AASB 9 *Financial instruments*; and • In conjunction with our valuation specialist we assessed management`s valuation methodology and model and internally evaluated the appropriateness of the assumptions, the valuation method and underlying information used.

Other matter

The financial report of iQX Limited, for the year ended 30 June 2018 was audited by another auditor who expressed an unmodified opinion on that report on 30 June 2018.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors 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 preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of iQX Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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.

BDO

BDO East Coast Partnership

Tim Aman

Sydney, 30 September 2019

NSX ADDITIONAL INFORMATION

Additional information required by the NSX and not disclosed elsewhere in this report is set out below. The information is current as at 4 September 2019.

SUBSTANTIAL SHAREHOLDERS

The number of shares held by substantial shareholders and their associates are set out below:

	Shareholders grouped by common controllers	Number of Ordinary shares held	% of total ordinary shares
(i)	**Ruminate Group**		
	Ruminate Investments Pty Ltd	15,228,572	10.71%
	TTS Two Investments Pty Ltd	2,900,000	2.04%
	Anthony Tsigounis Pty Ltd	203,000	0.14%
	Total Ruminate Group	**18,331,572**	**12.89%**
(ii)	**Life Science Group**		
	Life Science Investments Pty Ltd	6,000,000	4.22%
	Zero Hedge Investments Pty Ltd	5,856,000	4.12%
	Biotechnology Holdings Pty Ltd	4,261,112	3.00%
	Total Life Science Group	**16,117,112**	**11.34%**
(iii)	**Abiogenesis Pty Ltd**	**15,600,000**	**10.97%**
(iv)	**Agparaskevi Group**		
	Agparaskevi Pty Ltd	8,000,000	5.63%
	Babi Holdings Pty Ltd	4,000,000	2.81%
	Total Agparaskevi Group	**12,000,000**	**8.44%**
(v)	**Adaptive Radiation Group**		
	Adaptive Radiation Pty Ltd	8,888,888	6.25%
	Sequential Investments Pty Ltd	1,600,000	1.13%
	Total Adaptive Radiation Group	**10,488,888**	**7.38%**

Total of substantial shareholders	*72,537,572* *51.03%*

TEN LARGEST SHAREHOLDERS

Shareholder	Number of ordinary shares held	% of total ordinary shares
ABIOGENISES PTY LTD	15,600,000	10.97%
RUMINATE INVESTMENTS PTY LTD	15,228,572	10.71%
ADAPTIVE RADIATION PTY LTD	8,888,888	6.25%
AGPARASKEVI PTY LTD <AGPARAEKEVI A/C>	8,000,000	5.63%
LIFE SCIENCE INVESTMENTS PTY LTD <LIFE SCIENCE SUPER FUND A/C>	6,000,000	4.22%
ZERO HEDGE INVESTMENTS PTY LTD <ZERO HEDGE INVESTMENTS A/C>	5,856,000	4.12%
BIOTECHNOLOGY HOLDINGS PTY LTD <BIOTECHNOLOGY A/C>	4,261,112	3.00%
BABI HOLDINGS PTY LTD <CLT SUPER FUND A/C>	4,000,000	2.81%
TTS TWO INVESTMENTS PTY LTD <TTS DISCRETIONARY A/C>	2,900,000	2.04%
PRIORITY ONE GROUP PTY LTD <THE UTOPIA INVESTMENT A/C>	2,352,941	1.66%
Total securities of top 10 holdings	**73,087,513**	**51.41%**

Distribution of equity security holders

Category	Holders	Ordinary shares	%
1 – 1,000	1	1	0.00%
1,001 – 5,000	2	6,000	0.00%
5,001 – 10,000	9	88,000	0.06%
10,001 – 100,000	136	7,441,645	5.24%
100,001 and over	135	134,621,775	94.70%
Total	**283**	**142,157,421**	**100.00%**

Shareholders with less than marketable parcel

There is 1 shareholder each with an unmarketable parcel of shares, being a holder of 1, for a combined total of 1 share.

This is based on a closing price of $0.39 per share as at 4 September 2019.

Shares subject to escrow

There is no security class subject to escrow as at 4 September 2019.

Unquoted equity securities

There are no unquoted redeemable preference shares or redeemable convertible notes on issue.

SECURITIES EXCHANGE

The Group is listed on the National Securities Exchange of Australia. The Home exchange is Sydney.

ON-MARKET BUY-BACK

There is no current on-market buy-back.

HISTORICAL SUMMARY TABLE

Share performance				**Financial performance A$ million**			
Period	Closing share price at 30 June	Dividend per share	EPS (cents)	Revenue	Profit/(loss) after tax	Assets	Liabilities
FY2019	$0.32	NIL	(0.17)	$2.7	($0.2)	$32.3	$13.3
FY2018	$0.32	NIL	(2.21)	$1.8	($2.7)	$25.8	$10.4
FY2017	$0.40	NIL	12.22	$3.4	$14.2	$21.6	$7.2
FY2016	$0.43	NIL	(2.26)	$0.5	($2.3)	$2.7	$3.0
FY2015	$0.65	NIL	(1.27)	$0.8	($1.3)	$1.7	$0.2

WAIVERS

There are no arrangements where: (a) the Directors have agreed to waive any emoluments; or (b) where a shareholder has waived or agreed to waive any dividends.

SIGNIFICANT CONTRACTS WITH DIRECTORS, CHILD ENTITIES OR CONTROLLING SHAREHOLDERS

Refer to Note 24 of the Notes to the Consolidated Financial Statements, for details of material related party transactions.

DIRECTOR AND OFFICERS INTERESTS

Refer to Note 7 of the Remuneration Report, which forms part of the Annual Report, for details of Director and Officer interests.

OTHER

There are no period’s unexpired of any service contract of any Director proposed for election at the forthcoming annual general meeting.