

Rules 4.1, 4.3

Appendix 4D

Half yearly report

Introduced 1/1/2003.

Name of Entity	Weebit Nano Limited
ACN	146 455 576
Financial Period Ended	31 DECEMBER 2018
Previous Corresponding Reporting Period	31 DECEMBER 2017

Results for Announcement to the Market

Results for Announcement to the Market

	\$	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities	-	
Loss from ordinary activities after tax attributable to members	4,325,784	120%
Loss for the period attributable to members	4,325,784	
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	-
Interim Dividend	Nil	-
Previous corresponding period	Nil	-
Record date for determining entitlements to the dividends (if any)	N/A	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
The company is a start up technology company with no sales and significant research and development costs.		

The half-yearly report it is to be read in conjunction with the most recent annual financial report.

+ See chapter 19 for defined terms.

Dividends

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

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	0.002	0.002

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	Not applicable
Date control gained	Not applicable
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	Not applicable
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	Not applicable -

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	Not applicable
Date control lost	-
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	-
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	-

Details of Associates and Joint Venture Entities

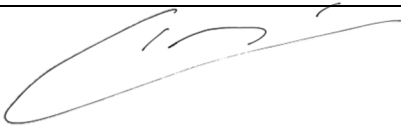
Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
Not applicable	-	-	-	-

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
The accounts are in the process of being audited or subject to review	<input type="checkbox"/>	The accounts have not yet been audited or reviewed	<input type="checkbox"/>
If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification: Not applicable			
If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification: Not applicable			

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	Interim Financial Report

Signed By (Director/Company Secretary)	
Print Name	Jacob Hanoch
Date	27 February 2019

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2018



ACN 146 455 576

CONTENTS

CORPORATE INFORMATION	1
DIRECTORS' REPORT	2
AUDITOR'S INDEPENDENCE DECLARATION	4
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	5
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	6
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	7
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	8
NOTES TO THE FINANCIAL STATEMENTS	9
DIRECTORS' DECLARATION	14
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS	15

CORPORATE INFORMATION

DIRECTORS:

David Perlmutter
Chairman

Jacob Hanoch
Managing Director and CEO

Fred Bart
Non-Executive Director

Yossi Keret
Non-Executive Director

Ashley Krongold
Non-Executive Director

Yoav Nissan-Cohen
Executive Director

COMPANY SECRETARIES:

Mark Licciardo
Adam Sutherland

AUDITORS:

Nexia Perth Audit Services Pty Ltd
Level 3
88 William Street
PERTH WA 6000

SOLICITORS - SYDNEY:

King & Wood Mallesons Level 61
Governor Phillip Tower
1 Farrer Place

BANKERS:

Westpac Banking Corporation
108 Stirling Highway
NEDLANDS WA 6009

REGISTERED & PRINCIPAL OFFICE:

Level 7, 330 Collins Street
MELBOURNE VIC 3000
Telephone: + 61 3 8689 9997
Facsimile: + 61 3 9602 4709

POSTAL ADDRESS:

Level 7, 330 Collins Street
MELBOURNE VIC 3000

WEBSITE:

www.weebit-nano.com

HOME STOCK EXCHANGE:

Australian Securities Exchange Limited Level
40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

ASX CODE:

WBT

SHARE REGISTRY:

Security Transfers Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

DIRECTORS' REPORT

Your Directors have pleasure in submitting their report on the Group, being the Company and its subsidiaries, for the half year ended 31 December 2018. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names and details of Directors in office at any time during the period were:

David Perlmutter	Non-Executive Chairman
Jacob Hanoch	Managing Director and CEO
Yossi Keret	Non-Executive Director
Yoav Nissan Cohen	Executive Director
Ashley Krongold	Non-Executive Director
Fred Bart	Non-Executive Director

Directors have been in office since the date of appointment to the date of this report unless otherwise stated.

Significant Events

1. In September 2018 the company completed a \$3,000,000 placement comprising the issue of 85.7 million shares for \$0.035 per share; the cost of the fund raising amounted to \$371,947. In addition, 9,000,000 fully vested options were granted to the broker as follows: 4,500,000 options with an exercise price of \$0.0525 and 4,500,000 options with an exercise price of \$0.06125. The total value of these options totalled \$148,750 and was booked as additional costs of fund raising. Out of the total \$3,000,000 raised, directors' participation was \$150,000.
2. In November 2018 the company completed an oversubscribed Share Purchase Plan, raising \$1,500,000 at \$0.035 per share.
3. In December 2018 the company signed an extension of its agreement with Leti, French research institute. The agreement extension includes adapting the production process of Weebit's ReRam technology to 300mm wafers, which are common wafers used in production fabs, and using the 28nm technology as the vehicle.
4. In December 2018 the company amended its license agreement with William Marsh Rice University comprising refinements to payments and milestones. The agreement was also updated to be more in line with the broader sales opportunities the company is working towards with its embedded IP business model.
5. In December 2018 the company appointed Mr. Jackson Lam as VP Strategic Alliance in China.

Review of Operations

The net loss attributable to members of the Company for the half year ended 31 December 2018 amounted to \$4,325,784 (2017: \$1,967,667). The increase in net loss compared to the prior period is mainly due to enhanced R&D operations during the period that led to an increase of about \$1.8M in R&D costs.

DIRECTORS' REPORT

Subsequent Events

Subsequent to December 31, 2018, the General Meeting of the company approved a share consolidation so that every 25 ordinary shares were consolidated into one share.

Other than as disclosed elsewhere in this report, there are no likely developments in the operations of the group that were not finalised at the date of this report. Further information as to the likely developments in the operations of the group would, in the opinion of the directors, be likely to result in unreasonable prejudice to the group.

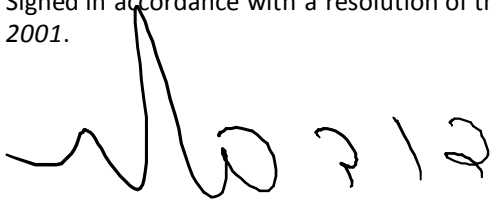
Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* for the half year ended 31 December 2018 has been received and can be found on page 4.

Auditor

Nexia Perth Audit Services Pty Ltd continues in office in accordance with section 327 of the *Corporation Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'D Perlmutter', is written over the text 'Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the Corporations Act 2001'.

David Perlmutter
Chairman
Hod Hasharon, Israel
27 February 2019

Lead auditor's independence declaration under section 307C of the Corporations Act 2001

To the directors of Weebit Nano Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the period ended 31 December 2018 there have been:

- (i) no contraventions of the auditors independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



Nexia Perth Audit Services Pty Ltd



TJ Spooner FCA FCA(UK) ACIS AGIA AMIA CTA
Director

Perth, 27 February 2019

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2018

	Consolidated 31 December 2018 \$	Consolidated 31 December 2017 \$
Research and Development expenses	(2,566,239)	(776,127)
Sales and Marketing expenses	(76,691)	(56,070)
General and Administrative expenses	(1,866,066)	(1,071,127)
Loss from operations	(4,508,996)	(1,903,324)
Financial income (expenses)	183,212	(64,343)
Loss before tax	(4,325,784)	(1,967,667)
Income tax	-	-
Net loss for the period	(4,325,784)	(1,967,667)
Other comprehensive income (loss)		
Foreign currency translation differences for foreign operations	(206,115)	30,490
Total comprehensive loss for the period	(4,531,899)	(1,937,177)
Total comprehensive loss for the period attributable to owners of the parent	(4,531,899)	(1,937,177)
Basic and diluted loss per share - cents per share	(0.003)	(0.002)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at 31 December 2018

	Note	Consolidated 31 December 2018 \$	Consolidated 30 June 2018 \$
ASSETS			
Current assets			
Cash and cash equivalents		3,375,027	3,356,748
Trade and other Receivables		569,561	557,391
Total current assets		3,944,588	3,914,139
Non-current assets			
Long term deposit		63,896	56,040
Plant and equipment		70,073	35,787
Total non-current assets		133,969	91,827
TOTAL ASSETS		4,078,557	4,005,966
LIABILITIES			
Current liabilities			
Trade and other payables		404,702	511,602
Total current liabilities		404,702	511,602
TOTAL LIABILITIES		404,702	511,602
NET ASSETS		3,673,855	3,494,364
EQUITY			
Issued capital	2	31,568,826	27,269,973
Reserves		5,269,999	5,063,577
Accumulated losses		(33,164,970)	(28,839,186)
TOTAL EQUITY		3,673,855	3,494,364

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

For the half year ended 31 December 2018

	Note	Issued Capital	Foreign currency translation differences for foreign operations	Option Reserve	Accumulated Losses	Total Equity
		\$	\$	\$	\$	\$
2018 CONSOLIDATED						
Total equity at 1 July 2018		27,269,973	(219,069)	5,282,646	(28,839,186)	3,494,364
Net loss for the period		-	-	-	(4,325,784)	(4,325,784)
Other comprehensive loss		-	(206,115)	-	-	(206,115)
Total comprehensive loss for the period			(206,115)		(4,325,784)	(4,531,899)
Transactions with equity holders:						
Contributions of capital	2	4,819,550	-	-	-	4,819,550
Capital raising costs	2	(520,697)	-	-	-	(520,697)
Share-based payments	5	-	-	412,537	-	412,537
Total equity at 31 December 2018		31,568,826	(425,184)	5,695,183	(33,164,970)	3,673,855
2017 CONSOLIDATED						
Total equity at 1 July 2017		23,795,057	(21,030)	2,114,857	(24,537,317)	1,351,567
Net loss for the period		-	-	-	(1,967,667)	(1,967,667)
Other comprehensive income		-	30,490	-	-	30,490
Total comprehensive income/(loss) for the period		-	30,490	-	(1,967,667)	(1,937,177)
Transactions with equity holders:						
<u>Shares issued during the year:</u>						
Contributions of capital		2,500,000	-	-	-	2,500,000
Net of capital raising costs:						
Capital raising costs		(326,064)	-	-	-	(326,064)
Share-based payments		(1,695,000)	-	-	-	(1,695,000)
Exercise of options		1,474,500	-	-	-	1,474,500
Share-based payments		-	-	1,878,610	-	1,878,610
Total equity at 31 December 2017		25,748,493	9,460	3,993,467	(26,504,984)	3,246,436

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

For the half year ended 31 December 2018

	Note	Consolidated 31 December 2018 \$	Consolidated 31 December 2017 \$
<i>Cash flows from operating activities</i>			
Payments to suppliers and employees		(3,907,567)	(1,957,676)
Net cash used in operating activities		(3,907,567)	(1,957,676)
<i>Cash flows from investing activities</i>			
Payments for fixed assets		(45,601)	(4,719)
Investments in deposits and restricted cash		(7,856)	514
Net cash provided by/(used in) investing activities		(53,457)	(4,205)
<i>Cash flows from financing activities</i>			
Proceeds from the issue of shares	2	4,350,000	2,500,000
Proceeds from conversion of options	2	-	1,474,500
Capital raising costs	2	(370,697)	(326,064)
Net cash provided by financing activities		3,979,303	3,648,436
Net increase in cash and cash equivalents		18,279	1,686,555
Cash and cash equivalents at the beginning of the period		3,356,748	1,695,088
Cash and cash equivalents at the end of the period		3,375,027	3,381,643

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Weebit Nano Limited (the “Company”) is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the half year ended 31 December 2018 comprises the Company and its subsidiaries – Weebit Nano Israel and Weebit Nano France; together referred to as the Group.

Statement of Compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with IAS 34 ‘Interim Financial Reporting’. The interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in a full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2018 and any public announcements made by Weebit Nano Ltd during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

This consolidated interim financial report was approved by the Board of Directors on 27 February 2019.

New Accounting Standards

The following new accounting standards came into effect on 1 July 2018:

AASB 15 Revenue from Contracts with Customers

AASB 15 Revenue from contracts with Customers AASB 15 replaces AASB 118 Revenue and AASB 111 Construction Contracts and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised, including in respect of multiple element arrangements. The core principle of AASB 15 is that it requires identification of discrete performance obligations within a transaction and associated transaction price allocation to these obligations. Revenue is recognised upon satisfaction of these performance obligations, which occur when control of goods or services is transferred, rather than on transfer of risks or rewards. Revenue received for a contract that includes a variable amount is subject to revised conditions for recognition, whereby it must be highly probable that no significant reversal of the variable component may occur when the uncertainties around its measurement are removed.

The Group does not have any revenue from contracts with customers for the current period and in prior periods. There is no material impact to profit or loss or net assets on the adoption of this new standard in the current half year ended 31 December 2018 or comparative years.

AASB 9 Financial Instruments

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and makes changes to a number of areas including classification of financial instruments, measurement, impairment of financial assets and hedge accounting model. Financial instruments are classified as either held at amortised cost or fair value.

Financial instruments are carried at amortised cost if the business model concept can be satisfied.

All equity instruments are carried at fair value and the cost exemption under AASB 139 which was used where it was not possible to reliably measure the fair value of an unlisted entity has been removed.

Notes to the Financial Statements

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity instruments which are non-derivative and not held for trading may be designated as fair value through other comprehensive income (FVOCI).

Previously classified available-for-sale investments, now carried at fair value are exempt from impairment testing and gains or loss on sale are no longer recognised in profit or loss.

The AASB 9 impairment model is based on expected loss at day 1 rather than needing evidence of an incurred loss, this is likely to cause earlier recognition of bad debt expenses.

The Group has applied AASB 9 retrospectively with the effect of initially applying this standard recognised at the date of initial application, being 1 July 2018 and has elected not to restate comparative information. Accordingly, the information presented for 31 December 2017 and 30 June 2018 has not been restated. The Group's financial instruments consist of cash, trade payables & other debtors. There is no material impact to profit or loss or net assets on the adoption of this new standard in the current half year ended 31 December 2018 or comparative years.

New Accounting Standards not yet effective:

AASB 16 Leases

AASB 16 Leases removes the lease classification test for lessees and requires most leases (including operating leases) to be brought onto the balance sheet. AASB 16 will become mandatory for the Group's 30 June 2020 financial statements, with early adoption permitted where AASB 15 Revenue from Contracts with Customers is adopted at the same time. The Group is currently making detailed assessments on the impact of this standard.

Basis of Preparation

The interim report has been prepared on an historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Financial Position

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

The Group reported a net loss for the period of \$4,325,784, and a cash outflow from operating activities of \$3,907,567. The Group had a net working capital surplus of \$3,539,886 including cash of \$3,375,027 at 31 December 2018.

Based on a cash flow forecast prepared by management, the Group's working capital surplus at 31 December 2018 and the Group's ability to reduce costs if necessary, the Directors consider the going concern basis of preparation to be appropriate.

Significant Accounting Judgements and Key Estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year report, the significant judgements made by management in applying the Group's and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2018.

Notes to the Financial Statements

NOTE 2 – ISSUED CAPITAL

CONSOLIDATED AND PARENT ENTITY	December 2018 #	December 2018 \$	June 2018 #	June 2018 \$
<i>(a) Issued and Paid Up Capital</i>				
Fully paid ordinary shares	1,591,216,206	31,568,826	1,442,815,483	27,269,973
<i>(b) Movements in fully paid shares on issue</i>				
Balance at the start of the period	1,442,815,483	27,269,973	1,175,576,215	23,795,057
<i>Shares issued in the period:</i>				
Capital Raising*	139,748,449	4,819,550	166,666,668	2,500,000
Options and performance rights converted to shares	8,652,274	-	100,572,600	3,017,336
Capital Raisings Costs (a)	-	(520,697)	-	(2,042,420)
Balance at end of period	1,591,216,206	31,568,826	1,442,815,483	27,269,973

- (a) \$148,750 of the capital raising costs were settled via the issue of options to the broker (previous period: \$1,695,000).
- (b) The \$4,819,550 of shares were issued during the period of which \$4,350,000 was issued for the cash consideration the balance issued for services rendered refer to note 5.

NOTE 3 – RELATED PARTY TRANSACTIONS

- A. As part of the share issued during the period, 4,285,714 shares were issued to directors of the company who participated in the fund raising at \$0.035 per share. Total directors' participation in the fund raising amounted to \$150,000.
- B. Refer to Note 5 for share options and performance rights granted to directors and key management personnel.

NOTE 4 – SEGMENT REPORTING

Description of segments

As at 31 December 2018 the Group only had one operating segment namely memory and semiconductor technology development.

Notes to the Financial Statements

NOTE 5 – SHARE BASED PAYMENTS

Share-based payment transactions

The Company has completed the following share-based payment transactions:

	Options 31 December 2018 \$	Shares 31 December 2018 \$	Options 31 December 2017 \$
Expense of options granted in previous periods (i.e. expensed over the vesting period)	306,894	-	-
20,000,000 options granted to Chairman	26,677	-	-
10,000,000 options granted to CEO	70,274	-	-
12,000,000 performance rights granted to CEO	104,942	-	-
9,000,000 options granted to a broker	148,750	-	-
Shares issued to broker for services in relation to the capital raising		150,000	--
Shares issued to a director, previously included in options reserve	(245,000)	245,000	-
Shares issued to a past director	-	74,550	
28,000,000 options granted to CEO	-	-	183,610
125,000,000 options granted to the Company's broker	-	-	762,500
25,000,000 options granted to the Company's broker	-	-	932,500
	412,537	469,550	1,878,610

During the period of six months ended December 31, 2018 the Company issued the following options:

Date of Grant	Grantee	Number of options/performance rights	Exercise price \$	Vesting Schedule	Expiry date	Fair Value A\$
28/11/2018	Chairman (1)	20,000,000	0.0339	25% vest on 16/10/2019 and 6.25% on quarterly basis thereafter	16/10/2028	0.0214
28/11/2018	CEO (2)	10,000,000	0.01755	25% vested on grant date and 6.25% on quarterly basis thereafter	01/10/2027	0.0225
28/11/2018	CEO (3)	12,000,000	NIL	25% vested on grant date and 6.25% on quarterly basis thereafter	01/10/2027	0.028
12/10/2018	Broker (4)	4,500,000	0.0525	Fully vested	11/10/2022	0.0171
12/10/2018	Broker (4)	4,500,000	0.06125	Fully vested	11/10/2022	0.0169

On November 2018 the General Meeting of the company approved the following grants to directors and key management personnel:

- 20,000,000 options were granted to Chairman, valued at \$0.0214 per option using the Black & Scholes options model based on the following inputs:
Underlying share price \$0.028
Option exercise price \$0.0339
Grant date November 28, 2018
Share price volatility 71.34%-74.25%
Risk free interest rate 2.58%-2.62%
- 10,000,000 options were granted to CEO, valued at \$0.0225 per option using the Black & Scholes options model based on the following inputs:
Underlying share price \$0.028
Option exercise price \$0.01755
Grant date November 28, 2018
Risk free interest rate 2.58%-2.62%
Share price volatility 71.34%-74.25%

Notes to the Financial Statements

NOTE 5 – SHARE BASED PAYMENTS (Continued)

Risk free interest rate 2.58%-2.62%

Share-based payment transactions

3. 12,000,000 performance rights were granted to the CEO based on the following inputs:
 - a. Underlying share price: \$0.028
4. 9,000,000 options were issued to the broker in relation to the share placement in two tranches. The options were valued using the Black & Scholes options model based on the following inputs:

First Tranche 4,500,000

Underlying share price \$0.033
Option exercise price \$0.053
Grant date 12 October 2018
Share price volatility 83%
Risk free interest rate 2.32%

Second Tranche 4,500,000

Underlying share price \$0.033
Option exercise price \$0.061
Grant date 12 October 2018
Share price volatility 83%
Risk free interest rate 2.32%

The cost of options issued to the broker was recorded against capital raising costs as a cost of equity.

NOTE 6 – SUBSEQUENT EVENTS

On February 14 2019 the General Meeting of the company approved a share consolidation so that every 25 ordinary shares were consolidated into one share.

Directors' Declaration

In the opinion of the directors of Weebit Nano Limited ("the Company"):

1. The condensed financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half year period then ended.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the board



Jacob Hanoch
Director
Israel

27 February 2019

Independent Auditor's Review Report to the members of Weebit Nano Limited

Conclusion

We have reviewed the accompanying interim financial report of Weebit Nano Limited and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2018, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half year ended on that date, notes comprising a summary of accounting policies, other explanatory notes, and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the interim period.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the the interim financial report of Weebit Nano Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the half year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Directors' Responsibility for the Interim Financial Report

The directors of the Group are responsible for the preparation of the interim 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 are necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2018 and its performance for the period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Weebit Nano Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Weebit Nano Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



Nexia Perth Audit Services Pty Ltd



TJ Spooner FCA FCA(UK) ACIS AGIA AMIIA CTA
Director

Perth, 27 February 2019