

Appendix 4D
Half-Year Report for the period ended 31 December 2021

Company Details

Name of entity: PharmAust Limited
 ABN: 35 094 006 023
 Reporting period: For the half-year ended 31 December 2021
 Previous period: For the half-year ended 31 December 2020

Results for announcement to the Market

Financial Performance

PharmAust Limited – Consolidated			
(AUD 000')	Half-year ended 31 Dec 2021	Half-year ended 31 Dec 2020	Movement %
Revenue	1,680	1,104	52%
(Loss) before tax attributable to members	(1,227)	(832)	(47%)
(Loss) after tax attributable to members	(1,227)	(832)	(47%)

Review of Operations

Refer to Directors' Report included in the attached half-year financial report.

Dividends

No Dividends were paid or declared for payment during the half-year period.

Net Tangible Asset Backing

	Half-year ended 31 Dec 2021	Half-year ended 31 Dec 2020
Net tangible asset backing	1.67 cents	1.92 cents

Entities Acquired and Disposed During the Period

There were no entities acquired or disposed of during the half-year period.

Auditor's Review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

The Interim Report of PharmAust Limited for the half year ended 31 December 2021 is attached.

Signed in accordance with a resolution of Directors. On behalf of the Directors:



Sam Wright
 Director

Signed at Perth this 18th day of February 2022

**PHARMAUST LIMITED
ABN 35 094 006 023
AND ITS CONTROLLED ENTITIES**

**Interim Financial Report
for the half-year ended 31 December 2021**

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PHARMAUST LIMITED DIRECTORS' REPORT

The directors of PharmAust Limited submit the financial report of the consolidated entity for the half-year ended 31 December 2021.

DIRECTORS

The names of the directors who held office during or since the end of the half-year are:

Dr Roger Aston
Mr Neville Bassett AM
Mr Robert Bishop
Mr Sam Wright

RESULTS

The operating loss for the consolidated entity for the half-year ended 31 December 2021 was \$1,227,476 (2020: \$832,375).

PRINCIPAL ACTIVITIES

The principal continuing activities constituted by PharmAust Limited and the entities it controlled during the year were to develop its own drug discovery intellectual property for the treatment of different types of cancers, viral and neurological diseases, as well as providing highly specialised medicinal and synthetic chemistry services on a contract basis to clients.

REVIEW OF OPERATIONS

During the half-year, PharmAust successfully achieved several major milestones that have opened the path to clinical trials in 2022. PharmAust also further continued to build the contract sales and income activities of its wholly owned subsidiary, Epicchem Pty Ltd.

Research and Development

Phase II Canine Trials

PharmAust has made significant progress in the clinical trials of its primary drug candidate, Monepantel (MPL).

During Phase 2a and Phase 2b studies, MPL demonstrated effective anti-cancer activity which supports continued development into Phase 3.

PharmAust has determined an optimum drug plasma range for anticancer activity and minimal side effects.

Of the seven pet dogs treated with drug plasma levels of MPL in the optimum range, six achieved stable disease and one had a partial response (60% regression), with some tumours completely disappearing, as assessed by the administering veterinarians. Side effects were minimal or not detected.

In comparison, the most common side effects of a dog being treated with chemotherapy include gastrointestinal effects (vomiting, diarrhea, or loss of appetite) and decreases in blood cell counts. Also, during chemotherapy, owners need to take precautions when handling their pet and their waste. Cytotoxic drugs may be excreted in the urine and faeces, so it is not advisable for children to play with their pets during therapy.

Post-trial, some veterinarians and the respective pet owners have elected to continue MPL treatment, and sometimes in combination with prednisolone. This combination has provided average extension of survival for these pet dogs of 16-24 weeks, comparing favourably to standard of care (palliative steroid therapy) that typically provides for 6-8 week survival in association with a range of adverse events. Canines treated with MPL during the trial and after the trial at this optimum level experienced a high quality of life and minimum adverse events were reported. These canine outcomes bode well for further canine and human cancer trials to be pursued in CY 2022.

PHARMAUST LIMITED
DIRECTORS' REPORT (continued)

Discussions have commenced for FDA registration and GCP implementation.

PharmAust is in confidential exploratory discussions with leading global pharmaceutical companies to co-develop and commercialise MPL for the treatment of veterinary cancers.

Plans are to continue and expand the current trial in Australia, New Zealand and the USA for registration of MPL as an anticancer drug in canines with B-cell lymphoma.



Pet dogs in the MPL tablet Phase 2 trial enjoying time with their owners

Phase II Human Cancer Trial

Further to the responses and outcomes in canines, PharmAust continues to take key steps towards progressing the evaluation of MPL in human trials. Clinical interest has focused on glioblastoma, esophageal, gastrointestinal and pancreatic cancer.

PharmAust has identified Principal Investigators in Italy and the United Kingdom to evaluate the new MPL tablet in humans in Phase 2 trials, as a follow on from the Phase I clinical trial undertaken at the Royal Adelaide Hospital in 2015. PharmAust will continue to look for further sites to broaden recruitment possibilities.

Commencement of a human cancer Phase II trial is expected in Q4 CY 2022.

PHARMAUST LIMITED
DIRECTORS' REPORT (continued)

COVID-19 Testing

In collaboration with three independent laboratories, PharmAust has investigated the capacity of MPL and MPLS *in vitro* to inhibit:

- i) SARS-CoV2-induced cell death,
- ii) SARS-CoV2 RNA release from the cell, and
- iii) SARS-CoV2 RNA infection of neighbouring cells.

All three laboratories demonstrated that both MPL and MPLS protect against cell death *in vitro* following infection with SARS-CoV2. Furthermore, two laboratories investigated the effects of MPL and MPLS upon the early stages of the SARS-CoV2 virus lifecycle by examining RNA release into the culture media *in vitro*.

Trial sites to participate in the evaluation of tablet formulated MPL in COVID-19 are currently being identified by the Company's CRO in Europe. PharmAust has filed a PCT application which, amongst other aspects, is directed towards the use of MPL and aminoacetonitrile derivatives as antiviral agents and claims an earliest priority date of 11 May 2020. The application is open for public inspection.

Phase I/II Human Trial in Motor Neurone Disease

PharmAust previously announced it has received a funding commitment of A\$881,085 for a Phase I trial examining the effects of MPL in Motor Neurone Disease (MND), otherwise known as Lou Gehrig's disease or Amyotrophic Lateral Sclerosis (ALS).

These funds have been granted by FightMND, the largest independent funder of MND research in Australia. The trial will be overseen by Dr Susan Mathers of Calvary Health Care, Bethlehem, Melbourne and will include a second trial site headed by Professor Dominic Rowe of the Centre for Motor Neurone Disease Research Faculty of Medicine and Health Research at Macquarie University in Sydney. The funding agreement provides that PharmAust shall own all intellectual property generated from the study.

PharmAust has not received any funding from FightMND as yet. The first instalment of \$201,615 is due to be received after GMP manufacture of MPL for this trial has been completed.

Protocols and ethics/regulatory approvals are now in place for the evaluation of MPL in Motor Neurone Disease. The trial will test the safety and tolerability of MPL in patients living with MND and determine certain surrogate endpoints in a phase I/II format. The trial is set up to look for signs that MPL can slow the progression of MND. This data, in conjunction with concurrent animal studies, will determine whether MPL should go on to be tested in larger phase 2 studies.

Commencement of the MND trial is expected around May 2022.

HTLV-1 Testing

During the half year, PharmAust executed a Research Services Agreement with the Walter and Eliza Hall Institute (WEHI), Melbourne to investigate the effects of monepantel (MPL) upon human T-lymphotrophic virus-1 (HTLV-1) infections *in vitro*.

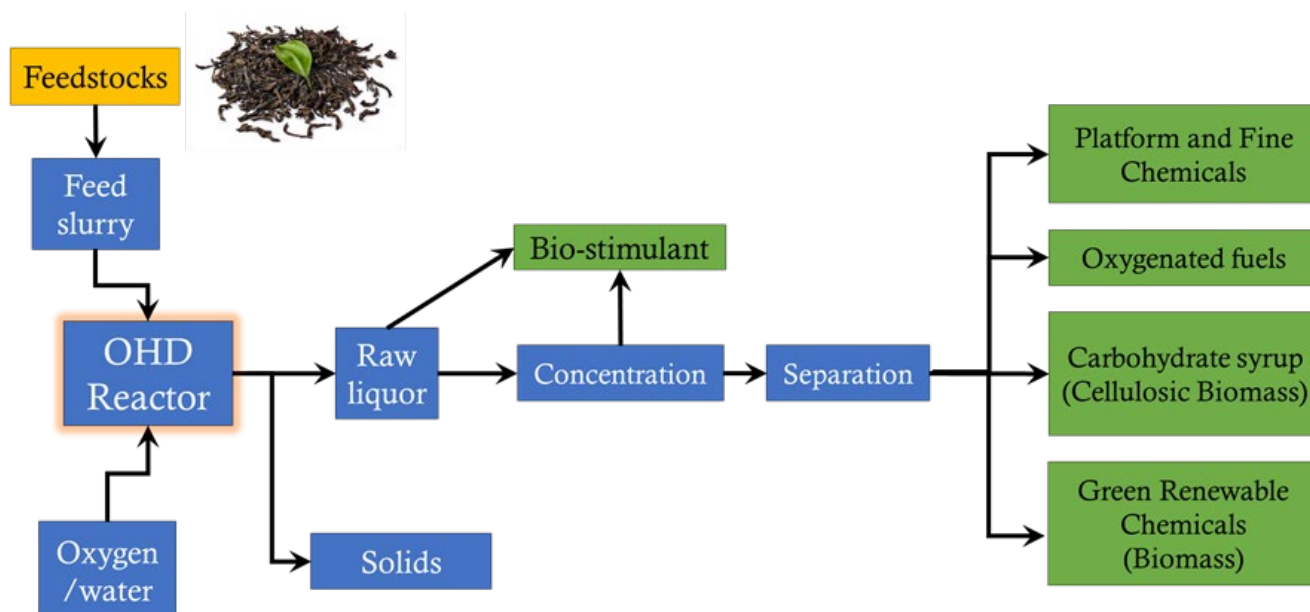
This work follows upon PharmAust's COVID-19 program, aiming to further understand the anti-viral activity of MPL and to broaden the scope of targets for MPL's use. The study of HTLV-1 is of particular significance due to the readily available nature of highly and particularly relevant *in vitro* and *in vivo* preclinical virus infection models, potentially providing PharmAust with further data to support future human trials.

PharmAust will update shareholders with results as they are received.

PHARMAUST LIMITED
DIRECTORS' REPORT (continued)

EPICHEM PTY LTD - 100% OWNED SUBSIDIARY

PharmAust's wholly owned subsidiary, Epichem Pty Ltd, continues to advance its innovative, novel and disruptive waste conversion and re-purposing technology, Oxidative Hydrothermal Dissolution (OHD). A benchtop flow reactor has been built and commissioned for operation. Proof of concept work has been carried out and determined on Coal and Ligno-cellulosic Biomass.



Epichem has completed a WA Government New Industries Fund WasteSorted e-waste Grant project to convert e-waste using OHD. The grant funding supported Epichem's use of Oxidative Hydrothermal Dissolution technology to convert e-waste into useful end products, recover valuable metals and produce useful high value chemicals. The research and development program supported a new and innovative solution to process collected e-waste and reduce the amount of e-waste ending up in landfill. The WasteSorted e-Waste grants support the WA Waste Avoidance and Resource Recovery Strategy 2030 objectives - to avoid waste, recover more value and resources from waste and protect the environment from the impacts of waste

Epichem is also partnering with the Curtin University WA School of Mines to research and develop OHD for use in mineral extraction. This project will investigate the potential of OHD liquors for hydrometallurgy and mineral processing applications.

Epichem is also in confidential discussions with organisations to validate the conversion and re-purposing potential of their respective feedstock and biomass.

Epichem was recently recognised and awarded as the 2021 WA Exporter of the Year for International Health. Epichem has been widely recognised having won the coveted WA Exporter Award on five occasions and is in the WA Export Hall of Fame.

On 13 December 2021, Epichem was awarded an extension to its current contract with Drugs for Neglected Diseases *initiative* (DNDi) (www.dndi.org).

The contract renewal will see Epichem continue to provide its synthetic and medicinal chemistry expertise to support DNDi's drug discovery projects, aimed at developing new treatments for neglected diseases, until 31st December 2022. The extension is expected to generate up to AUD\$1.02M in revenues for Epichem during CY 2022.

PHARMAUST LIMITED
DIRECTORS' REPORT (continued)

ANNUAL GENERAL MEETING

On 21 October 2021, PharmAust held its Annual General Meeting of Shareholders as a virtual meeting. All resolutions that were put were passed by a poll.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

SUBSEQUENT EVENTS

Resignation of Epichem CEO

On 3 February 2022, the Company announced that Mr Colin La Galia, Chief Executive Officer of PAA's subsidiary Epichem, has resigned. Mr La Galia will leave Epichem on 23 March 2022 to pursue another opportunity based in Perth. That business is not a competitor to Epichem or PharmAust.

PharmAust and Mr La Galia have agreed that he will continue to provide strategic and operational input into the Epichem business as a consultant beyond 23 March.

Epichem has commenced an executive search for a General Manager and also a new business development executive.

New Appointment: Head of Chemistry- Dr Gary Pitt

Epichem welcomes Dr Gary Pitt as it's new Head of Chemistry

Gary brings more than 20 years' experience in drug discovery and development within the pharmaceutical industry and academia, in both the UK and Australia

He has created and lead chemistry teams for major research groups through many stages of the Drug Discovery Pipeline in areas including immunology, oncology, urology and infectious diseases.

He is a key inventor on more than twenty patents and has contributed to numerous medicinal chemistry projects that have progressed through to pre-clinical and Phase I and II clinical trials.

Gary joins Epichem from 360biolabs and, prior to that, the Walter and Eliza Hall Institute of Medical Research, where he was responsible for developing and implementing structures and processes to establish Australia's first National Drug Discovery Centre (NDDC).

Other than the above, there have been no significant events subsequent to the end of the reporting date.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included within this financial report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001



Sam Wright
Director

Signed at Perth this 18th day of February 2022

General information

The financial statements cover PharmAust Limited as a consolidated entity consisting of PharmAust Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is PharmAust Limited's functional and presentation currency.

PharmAust Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

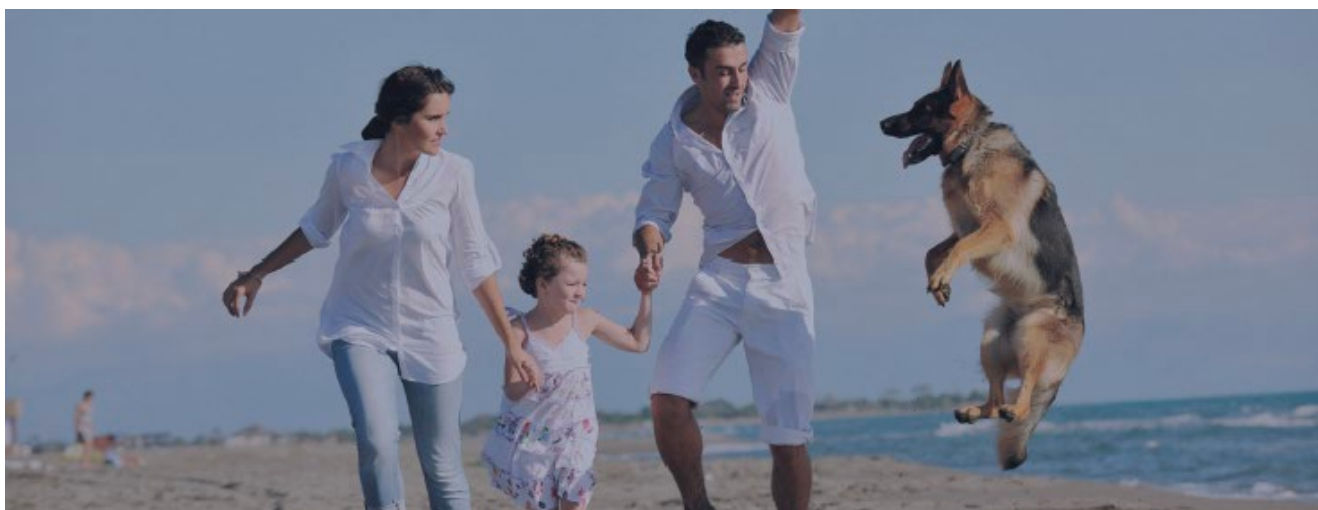
Suite 116/1 Kyle Way
Claremont WA 6010

Principal place of business

Suite 116/1 Kyle Way
Claremont WA 6010

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 18 February 2022.



PHARMAUST LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the half-year ended 31 December 2021

		Consolidated	
	Note	31 December 2021	31 December 2020
		\$	\$
Revenue	3	1,680,173	1,104,292
Other income	3	40,252	688,220
Total revenue		<u>1,720,425</u>	<u>1,792,512</u>
Raw material and consumables used		(151,804)	(96,035)
Research and development expenses		(245,087)	(378,303)
Share-based payment expense		(32,308)	(80,967)
Administration expenses		(751,863)	(537,856)
Employee benefits expense		(1,555,333)	(1,322,277)
Borrowing costs		(45,540)	(60,194)
Depreciation		(165,966)	(149,255)
Loss before income tax		<u>(1,227,476)</u>	<u>(832,375)</u>
Income tax expense		<u>-</u>	<u>-</u>
Loss for the period		<u>(1,227,476)</u>	<u>(832,375)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss for the period		<u>(1,227,476)</u>	<u>(832,375)</u>
Basic and diluted loss per share (cents per share)		(0.39)	(0.26)

The accompanying notes form part of these financial statements

PHARMAUST LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

		Consolidated	
	Note	31 December	30 June
		2021	2021
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		2,632,895	3,020,268
Trade and other receivables		270,809	241,949
Other current assets		178,540	86,342
Inventories		1,005,070	1,008,071
TOTAL CURRENT ASSETS		<u>4,087,314</u>	<u>4,356,630</u>
NON CURRENT ASSETS			
Intangible assets		3,202,870	3,142,089
Plant and equipment		2,250,230	2,285,805
Right of use assets		1,128,606	1,169,074
TOTAL NON CURRENT ASSETS		<u>6,581,706</u>	<u>6,596,968</u>
TOTAL ASSETS		<u>10,669,020</u>	<u>10,953,598</u>
CURRENT LIABILITIES			
Trade and other payables		739,051	559,007
Borrowings		25,344	38,206
Provisions		268,368	205,720
Lease liabilities		123,625	108,433
TOTAL CURRENT LIABILITIES		<u>1,156,388</u>	<u>911,366</u>
NON CURRENT LIABILITIES			
Provisions		-	30,381
Lease liabilities		1,093,516	1,131,367
TOTAL NON CURRENT LIABILITIES		<u>1,093,516</u>	<u>1,161,748</u>
TOTAL LIABILITIES		<u>2,249,904</u>	<u>2,073,114</u>
NET ASSETS		<u><u>8,419,116</u></u>	<u><u>8,880,484</u></u>
EQUITY			
Issued capital	5	55,343,941	55,326,441
Options and performance rights reserve	4	2,841,769	2,093,161
Accumulated losses		<u>(49,766,594)</u>	<u>(48,539,118)</u>
TOTAL EQUITY		<u><u>8,419,116</u></u>	<u><u>8,880,484</u></u>

The accompanying notes form part of these financial statements

PHARMAUST LIMITED
STATEMENT OF CHANGES IN EQUITY
For the half-year ended 31 December 2021

Note	Issued Capital	Accumulated Losses	Options and Performance rights reserve	Total
	\$	\$	\$	\$
As at 1 July 2020	53,772,433	(47,201,808)	1,955,644	8,526,269
Loss for the period	-	(832,375)	-	(832,375)
Total comprehensive loss for the period	-	(832,375)	-	(832,375)
<i>Transactions with owners in their capacity as owners:</i>				
Shares issued	17,500	-	-	17,500
Share-based payments	-	-	63,467	63,467
Exercise of options (net of cost)	1,538,480	-	-	1,538,480
As at 31 December 2020	55,328,413	(48,034,183)	2,019,111	9,313,341

Note	Issued Capital	Accumulated Losses	Options and Performance rights reserve	Total
	\$	\$	\$	\$
As at 1 July 2021	55,326,441	(48,539,118)	2,093,161	8,880,484
Loss for the period	-	(1,227,476)	-	(1,227,476)
Total comprehensive loss for the period	-	(1,227,476)	-	(1,227,476)
<i>Transactions with owners in their capacity as owners:</i>				
Shares issued	17,500	-	-	17,500
Share-based payments	-	-	14,808	14,808
Options issued (net of cost)	-	-	733,800	733,800
As at 31 December 2021	55,343,941	(49,766,594)	2,841,769	8,419,116

The accompanying notes form part of these financial statements

PHARMAUST LIMITED
STATEMENT OF CASH FLOWS
For the half-year ended 31 December 2021

	Consolidated	
	31 December	31 December
	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,651,314	1,162,470
Payments to suppliers and employees	(2,580,975)	(2,430,575)
Interest received	495	14,043
Other income	39,757	674,177
Interest paid	(45,540)	(12,882)
Net cash used in operating activities	<u>(934,949)</u>	<u>(592,767)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for plant and equipment	(120,233)	(34,702)
Net cash used in investing activities	<u>(120,233)</u>	<u>(34,702)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of borrowings	(12,862)	(107,538)
Repayment of lease liabilities	(53,130)	(89,098)
Share issue costs	(58,486)	(43,020)
Exercise of options	-	1,581,500
Options issue proceeds	792,287	-
Net cash provided by financing activities	<u>667,809</u>	<u>1,341,844</u>
Net movement in cash held	(387,373)	714,375
Cash at beginning of the financial period	<u>3,020,268</u>	<u>2,880,496</u>
Cash at end of the financial period	<u><u>2,632,895</u></u>	<u><u>3,594,871</u></u>

The accompanying notes form part of these financial statements

PHARMAUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the half-year ended 31 December 2021

1. BASIS OF PREPARATION

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. SEGMENT INFORMATION

The consolidated entity has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors has considered the business from both a geographic and business segment perspective and the following are the reportable segments under AASB 8.

	Corporate	Pharmaceutical	Total
	\$	\$	\$
31 December 2021			
Revenue			
External sales	-	1,687,673	1,687,673
Other external revenue	134	40,117	40,252
Total revenue	134	1,727,790	1,727,925
Inter-segment elimination			(7,500)
Total revenue			1,720,425
Results			
Segment net profit (loss) before tax	(1,134,908)	(92,568)	(1,227,476)
Interest income	462	33	495
Interest expense	-	(45,540)	(45,540)
Depreciation and amortisation	-	(165,966)	(165,966)
Segment assets			
Segment operating assets	2,530,637	8,138,384	10,669,020
Segment liabilities			
Segment operating liabilities	(506,651)	(1,743,343)	(2,249,904)

PHARMAUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the half-year ended 31 December 2021

2. SEGMENT INFORMATION (continued)

	Corporate	Pharmaceutical	Total
	\$	\$	\$
31 December 2020			
Revenue			
External sales	-	1,121,542	1,121,542
Other external revenue	61,797	626,423	688,220
Total revenue	61,797	1,747,965	1,809,762
Inter-segment elimination			(17,250)
Total revenue			1,792,512
Results			
Segment net profit (loss) before tax	(1,093,100)	260,725	(832,375)
Interest income	13,035	1,008	14,043
Interest expense	-	(60,194)	(60,194)
Depreciation and amortisation	-	(149,255)	(149,255)
Segment assets			
Segment operating assets	3,553,469	8,017,916	11,571,385
Segment liabilities			
Segment operating liabilities	(494,633)	(1,763,411)	(2,258,044)

	CONSOLIDATED 31 DECEMBER 2021 \$	31 DECEMBER 2020 \$
3. REVENUES		
<i>Revenue from contracts with customers</i>		
Sale of goods	212,988	175,771
Rendering of services	1,467,186	928,521
	1,680,173	1,104,292
<i>Other revenue</i>		
Interest income	495	14,043
Other revenue	39,757	674,177
	40,252	688,220
<i>Timing of revenue recognition</i>		
Goods delivered at a point in time	212,988	175,771
Services delivered over time	1,467,186	928,521
	1,680,173	1,104,292

PHARMAUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the half-year ended 31 December 2021

	CONSOLIDATED	
	31 DECEMBER	30 JUNE
	2021	2021
	\$	\$
4. OPTIONS AND PERFORMANCE RIGHTS RESERVE		
Balance at the reporting date	2,841,769	2,093,161

2021	No. of Performance Rights	No. of Options	Weighted Average Exercise Price \$	Balance \$
At 1 July	5,000,000	300,000	0.13	2,093,161
Amortisation expense relates to prior year granted performance rights	-	-	-	14,808
Issue of options	-	79,228,636	0.20	792,286
Less option issuance costs	-	-	-	(58,486)
At 31 December	5,000,000	79,528,636	0.20	2,841,769

The weighted average remaining contractual life of options outstanding at period-end was 1.83 years (2020: 1.43 years).

	31 DECEMBER	30 JUNE 2021	31 DECEMBER	30 JUNE 2021
	2021	SHARES	2021	\$
	SHARES		\$	
5. ISSUED CAPITAL				
Ordinary shares – fully paid	316,912,383	316,729,920	55,343,941	55,326,441
	Shares	Issue Price	\$	\$
<i>Movement in ordinary share capital</i>				
At 1 July 2021	316,729,920		55,326,441	
Shares issued for employee bonus	182,463	0.09	17,500	
At 31 December 2021	316,912,383		55,343,941	

PHARMAUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the half-year ended 31 December 2021

6. DIVIDENDS

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the half-year.

7. CONTINGENT LIABILITIES AND ASSETS

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

8. SUBSEQUENT EVENTS

There have been no significant events subsequent to the end of the reporting date.

**PHARMAUST LIMITED
DIRECTORS' DECLARATION**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Sam Wright
Director

Signed at Perth this 18th day of February 2022

RSM Australia Partners

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
PHARMAUST LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of PharmAust Limited, which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year 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 half-year 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 half-year 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, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of PharmAust Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year 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.

THE POWER OF BEING UNDERSTOOD
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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 PharmAust Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

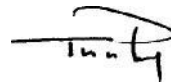
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of PharmAust Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 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*.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 18 February 2022

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of PharmAust Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS

Tutu Phong

Perth, WA
Dated: 18 February 2022

TUTU PHONG
Partner

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