

Appendix 4D Half-Year Financial Report

Name of entity

ACTINOGEN MEDICAL LIMITED

ABN or equivalent company reference

14 086 778 476

Current Period: 1 July 2020 to 31 December 2020

(Previous corresponding period: 1 July 2019 to 31 December 2019)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	31/12/2020	31/12/2019	% Change	Amount change (\$)
Revenue from ordinary activities	\$ 16,313	\$ 58,058	-72%	(41,745)
Loss from ordinary activities after tax attributable to members	\$ 2,357,619	\$ 4,040,509	-42%	(1,682,890)
Net loss for the period attributable to members	\$ 2,357,619	\$ 4,040,509	-42%	(1,682,890)
Net tangible asset per share	\$ 0.008	\$ 0.007	-	-

BRIEF EXPLANATION OF THE ABOVE FIGURES

Revenues from ordinary activities relates to interest revenue from cash held in interest-bearing accounts and short-term deposits.

The total net loss after tax decreased due to a reduction in expenditure. Refer to the attached Directors' Report and financial statements for further information.

Details of entities over which control has been gained or lost during the period

Not applicable. There has been no entity over which control has been gained or lost during the period.

Dividend / Distribution Payments or Reinvestment Plans

Not applicable. No dividends have been paid or declared during the half-year ended 31 December 2020, in the previous financial year ended 30 June 2020 or in the previous corresponding period. The Company does not propose to pay dividends in the immediate future.

Associates / Joint Ventures


Not applicable. The Company has not engaged in the acquisition of associates nor has it engaged in any joint ventures in the half-year ended 31 December 2020.

Foreign Entities

Not applicable.

Review Conclusion

This Report is based on the Interim Financial Report for the Half-Year Ended 31 December 2020. The financial report has been subject to a review by an independent auditor and the review is not subject to qualification.



Dr. Geoffrey Brooke
Executive Chairman
Date: 24 February 2021
Sydney, New South Wales

Authorised for release by the Board.

ACTINOGEN MEDICAL LIMITED

ABN 14 086 778 476

www.actinogen.com.au

INTERIM FINANCIAL REPORT

For the Half-Year Ended 31 December 2020

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CORPORATE DIRECTORY

Board of Directors

Dr Geoffrey Brooke - Executive Chairman

Dr George Morstyn - Non-Executive Director

Mr Malcolm McComas - Non-Executive Director

Principal Place of Business / Registered Office

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109 Pitt Street

Sydney NSW 2000

Contact Details

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www.actinogen.com.au

ABN 14 086 778 476

Share Register

Link Market Services

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680 George Street

Sydney NSW 2000

Company Secretary

Mr Peter Webse

Lawyers

K&L Gates

Level 25 South Tower

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Bankers

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100 St Georges Terrace

Perth WA 6000

Auditors

Ernst & Young

Ernst & Young Building

11 Mounts Bay Road

Perth WA 6000

ACTINOGEN MEDICAL LIMITED

DIRECTORS' REPORT

The Directors present their Report on Actinogen Medical Limited ("the Company" or "Actinogen Medical") for the half-year ended 31 December 2020.

➤ INFORMATION ON DIRECTORS

Directors

The following Directors were in office throughout the entire financial interim period and up to the date of this report unless stated otherwise.

- Dr Geoffrey Brooke - Executive Chairman (Appointed 8 February 2021 – Current)
Previously Non-Executive Chairman (Appointed 1 March 2017 – 8 February 2021)
- Dr Bill Ketelbey – Managing Director (Appointed 18 December 2014 – 8 February 2021)
- Dr George Morstyn - Non-Executive Director (Appointed 1 December 2017 – Current)
- Mr Malcom McComas – Non-Executive Director (Appointed 4 April 2019 – Current)

➤ OPERATIONS AND FINANCIAL REVIEW

Principal Activities

During the first half of FY21, Actinogen undertook a comprehensive analysis of the substantial clinical (human) and pre-clinical (animal) data sets for Xanamem and its potential pipeline of indications. The outcomes of the analysis have allowed Actinogen to define key study parameters for the planned clinical studies, including dosing and patient characteristics.

Preparations are advancing for the phase II **XanaMIA** trial and the phase II **XanaFX** trial, with recruitment for both trials expected to commence in CY21. The **XanaMIA** phase II clinical trial will investigate the safety, tolerability and efficacy of Xanamem in patients with Mild Cognitive Impairment in the early stages of Alzheimer's disease (AD), and the phase II **XanaFX** trial will investigate the treatment of Xanamem in patients with Fragile X syndrome (FXS).

The COVID-19 pandemic has caused disruptions globally in clinical research and laboratory work due to workplace restrictions and the pressure on healthcare systems. Consequently, patient enrolment for the Phase I Target Occupancy Study in Melbourne, Australia was suspended during the half, to align with the directions of health regulatory agencies. Fortunately, most patients had been enrolled and adequate data was available to progress analyses.

Highlights during the Half Year and To Date of Signing

- a) Xanamem clinical development advancing, with two phase II trials planned**
 - i. XanaMIA: phase II trial in patients with Mild Cognitive Impairment (MCI) due to AD**
 - ii. XanaFX: phase II trial in patients with FXS selected as a new target indication, addressing anxiety, sleep and behavioural problems**
- b) Xanamem in FXS granted Rare Paediatric Disease Designation (RPDD) by the FDA**
- c) Completed a successful capital raise to fund clinical development. Including the recent placement of the rights issue shortfall**
- d) Filed two new patent applications to strengthen IP portfolio**
- e) Continued focus on business development and**
- f) Leadership team changes and results of AGM**

a) Xanamem clinical development advancing, with two phase II clinical trials planned

The XanaHES phase I study demonstrated Xanamem's efficacy in improving general cognition in healthy elderly volunteers. These positive results, together with a broader analysis of the Xanamem dataset, have informed Actinogen's plans for two phase II clinical trials; XanaMIA and XanaFX.

The planned XanaMIA phase II clinical trial in patients with MCI due to AD is designed to demonstrate the safety, tolerability and efficacy of Xanamem in this early stage of the AD spectrum. This patient population represents a significant unmet clinical need and commercial opportunity.

During the half, Actinogen expanded the pipeline to include FXS. Both the pharmacological properties of Xanamem and the current understanding of FXS pathology strongly support Xanamem as a potential treatment option for these symptoms. Actinogen has made significant progress with planning activities for its XanaFX trial to assess patients with anxiety, sleep and behavioural problems in FXS. The design of the FXS program and planned clinical trials are expected to be reviewed with the FDA in a pre-IND meeting.

b) Xanamem in FXS Granted Rare Paediatric Disease Designation (RPDD) by the FDA

Subsequent to the half, Xanamem in FXS was granted Rare Paediatric Disease Designation (RPDD) by the FDA for the treatment of FXS in patients under 18 years of age. The RPDD provide multiple incentives in many major markets including attractive development, regulatory and commercial benefits that could result in faster clinical development and commercialisation of Xanamem. Actinogen will benefit from RPDD with increased speed to market from priority review. If Xanamem is approved for FXS as the molecule's first indication, Actinogen will receive a Priority Review Voucher (PRV) from the FDA, which can be used for different indications, and is tradeable, hence providing a substantial commercial value.

c) Completed a successful capital raise to fund clinical development

During the reporting period, Actinogen raised a total of \$7.36m (before transaction-related costs) from a placement and entitlement offer. This consisted of:

- A \$6.0m placement at an offer price of \$0.022 per share on 15 October 2020, which included new investors and existing shareholders; and
- A 1 for 5 Entitlement Offer on the same terms which raised an additional \$1.36m from existing shareholders, which closed on 10 November 2020.

Subsequent to the period end, Actinogen successfully completed an additional ~A\$3.55 million shortfall placement, in accordance with the terms of the Entitlement Offer, supported by professional and sophisticated investors.

The gross proceeds of ~\$10.9m will be used to progress clinical development, including fully funding the phase II clinical trials in MCI due to AD and in FXS, as well as for general working capital.

d) Filed two new patent applications to strengthen IP portfolio

During the half Actinogen filed two new patent applications for its lead drug Xanamem, which could extend its patent life protection until 2040.

The first application seeks to provide patent protection to a method of treating cognitive decline. This is supported by the statistically significant results of the Phase I XanaHES trial, which suggest that Xanamem meaningfully improves cognition over placebo in cognitively healthy subjects.

The second application provides patent protection to a commercial scale-up manufacturing process for Xanamem, which enables direct access to high purity Xanamem through a unique synthesis methodology. This innovation allows Actinogen to manufacture Xanamem at larger scale quantities in preparation for future commercialisation.

ACTINOGEN MEDICAL LIMITED

DIRECTORS' REPORT

e) Continued focus on business development

Throughout the period, ongoing business development activities continued with senior leadership meeting with potential corporate and strategic parties to assist with Xanamem's current and future development. Actinogen's Former CEO and Managing Director, Dr. Bill Ketelbey, presented at multiple investor, biotech and industry conferences, with the objective to provide an update and raise awareness of the Company and Xanamem's ongoing development.

Key conferences and events Actinogen participated in during the half-year period include:

- Switzer Small & Micro-Cap Virtual Investor Day on 1&2 December 2020
- Monsoon Morning Twilight Investor Briefing webinar on 28 October 2020
- Actinogen Medical Conference Call online on 19 October 2020
- ASX Small & Mid-Cap Conference online 'on demand' segment on 8-10 September 2020
- Finance News Network (FNN) CEO Showcase online event on 31 July 2020
- Alzheimer's Association International Conference (AAIC) in Chicago (online) on 30 July 2020

In October, Actinogen launched an updated corporate website to ensure that the latest Xanamem research and development information was readily accessible and available. The site includes new indications added to Actinogen's clinical development pipeline with updated information on MCI due to AD, FXS, schizophrenia and diabetes, and can be accessed at: <https://actinogen.com.au/research-development/>.

The Actinogen team continues to draft numerous medical journal publications related to the Company's clinical studies, and additional associated areas of research. These significantly endorse Actinogen's research by generating academic credibility.

f) Leadership team changes and results of AGM

In September 2020, Actinogen appointed Mr. Jeff Carter as the Company's new Chief Financial Officer (CFO). Mr. Carter has over 20 years of experience in executive roles at various biotech companies, as well as experience as a CFO in various ASX-listed companies and is a qualified Chartered Accountant. The combination of Mr. Carter's corporate experience and academic qualifications make him a valuable addition to Actinogen's senior management team.

At the Company's Annual General Meeting held on 27 November 2020, Dr George Morstyn was re-elected to the Board as a Non-Executive Director. His reappointment continues to add significant drug development expertise to Actinogen Medical.

Dr. Bill Ketelbey resigned from his position as Chief Executive Officer and as a Director of the Company, effective on 8 February 2021. The Board thanks Dr. Ketelbey for his significant contribution to the Company during his six years with Actinogen. The Board is in the process of appointing a replacement for Dr. Ketelbey. Dr Geoff Brooke has been appointed Executive Chairman on an interim basis.

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of The Corporations Act 2001 for the half-year ended 31 December 2020 has been received and is set out on page 7.

Signed in accordance with a resolution of the Directors and is signed for on behalf of the Board by:



Dr. Geoffrey Brooke
Executive Chairman
Date: 24 February 2021
Sydney, New South Wales



**Building a better
working world**

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Auditor's independence declaration to the directors of Actinogen Medical Limited

As lead auditor for the review of the half-year financial report of Actinogen Medical Limited for the half-year ended 31 December 2020, I declare to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

Ernst & Young

Pierre Dreyer
Partner
24 February 2021

ACTINOGEN MEDICAL LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

	Note	Half-year ended 31/12/2020 \$	Half-year ended 31/12/2019 \$
Revenue from continuing operations		16,313	58,058
Other income		50,000	681,009
<i>Total revenue & other income</i>	5	<u>66,313</u>	<u>739,067</u>
Research & development costs	5	(789,921)	(3,009,723)
Employment costs		(772,865)	(835,247)
Corporate & administration costs		(539,107)	(621,870)
Finance costs		(11,843)	(14,858)
Share-based payment expenses		(82,211)	(91,683)
Amortisation expense	10	(176,751)	(157,659)
Depreciation expense (right-of-use asset)	9	(47,556)	(48,536)
Depreciation expense (office equipment)	8	(3,678)	-
<i>Total expenses</i>		<u>(2,423,932)</u>	<u>(4,779,576)</u>
Loss before income tax		(2,357,619)	(4,040,509)
Income tax expense		-	-
Loss for the half-year		(2,357,619)	(4,040,509)
<u>Other comprehensive income</u>			
Items that may be reclassified subsequently to profit and loss:			
Other comprehensive income		-	-
Total comprehensive loss for the half-year		(2,357,619)	(4,040,509)
Loss per share for attributable to the ordinary equity holders of the Company			
Basic loss per share (cents)		(0.16)	(0.36)
Diluted loss per share (cents)		(0.16)	(0.36)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying Notes.

ACTINOGEN MEDICAL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	As at 31/12/2020 \$	As at 30/06/2020 \$
CURRENT ASSETS			
Cash and cash equivalents	6	12,912,628	5,040,486
Other receivables	7	109,563	3,123,428
TOTAL CURRENT ASSETS		13,022,191	8,163,914
NON-CURRENT ASSETS			
Property, plant and equipment	8	14,864	18,541
Intangible assets	10	3,169,200	3,345,951
Other receivable - restricted cash		35,266	35,266
Right-of-use assets	9	324,945	372,501
TOTAL NON-CURRENT ASSETS		3,544,275	3,772,259
TOTAL ASSETS		16,566,466	11,936,173
CURRENT LIABILITIES			
Trade and other payables	11	566,621	509,275
Provision for Employee Entitlements		190,208	148,522
Lease liability	9	90,397	86,018
TOTAL CURRENT LIABILITIES		847,226	743,815
NON-CURRENT LIABILITIES			
Lease liability	9	257,196	303,852
TOTAL NON-CURRENT LIABILITIES		257,196	303,852
TOTAL LIABILITIES		1,104,422	1,047,667
NET ASSETS		15,462,044	10,888,506
EQUITY			
Contributed equity	12	54,773,552	47,924,606
Reserves	13	7,572,956	7,490,745
Accumulated losses		(46,884,464)	(44,526,845)
TOTAL EQUITY		15,462,044	10,888,506

The above Statement of Financial Position should be read in conjunction with the accompanying Notes.

ACTINOGEN MEDICAL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

	Contributed Equity	Accumulated Losses	Option Reserve	Reserve Shares	Total
Half-year ended 31/12/2020	\$	\$	\$	\$	\$
Balance as at 1/7/2020	47,924,606	(44,526,845)	7,490,745	-	10,888,506
Loss for the half-year	-	(2,357,619)	-	-	(2,357,619)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half-year	-	(2,357,619)	-	-	(2,357,619)
Transactions with equity holders in their capacity as equity holders:					
Shares issued during the half-year	7,360,230	-	-	-	7,360,230
Capital raising costs	(511,284)	-	-	-	(511,284)
Share-based payments	-	-	82,211	-	82,211
Balance as at 31/12/2020	54,773,552	(46,884,464)	7,572,956	-	15,462,044

	Contributed Equity	Accumulated Losses	Option Reserve	Reserve Shares	Total
Half-year ended 31 December 2019	\$	\$	\$	\$	\$
Balance as at 1 July 2019	48,044,606	(39,196,320)	7,296,257	(480,000)	15,664,543
Loss for the half-year	-	(4,040,509)	-	-	(4,040,509)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	(4,040,509)	-	-	(4,040,509)
Transactions with equity holders in their capacity as equity holders:					
Repayment of LTI Rights	-	-	-	360,000	360,000
Share-based payments	-	-	91,683	-	91,683
Balance as at 31 December 2019	48,044,606	(43,236,829)	7,387,940	(120,000)	12,075,717

The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

ACTINOGEN MEDICAL LIMITED
STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

	Note	Half-year ended 31/12/2020 \$	Half-year ended 31/12/2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		16,313	58,058
Interest paid	9(i)	(9,737)	(3,044)
Payments to suppliers and employees		(488,990)	(596,237)
Payments for research and development		(1,385,657)	(3,562,530)
Government grants and rebate received		2,933,544	4,630,761
Net cash inflow from operating activities		1,065,473	527,008
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	8	-	(16,078)
Net cash outflow from investing activities		-	(16,078)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	12	7,360,230	-
Transaction costs associated with issue of shares	12	(511,284)	-
Lease payment (property rental)	9(i)	(42,277)	(50,014)
Repayment of loan attached to LTI Rights		-	360,000
Net cash inflow from financing activities		6,806,669	309,986
Net increase in cash and cash equivalents		7,872,142	820,916
Cash and cash equivalents at beginning of the half-year		5,040,486	7,636,601
Cash and cash equivalents at the end of the half-year	6	12,912,628	8,457,517

The above Statement of Cash Flows should be read in conjunction with the accompanying Notes.

ACTINOGEN MEDICAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICY

a) Basis of preparation

The interim financial report for the half-year ended 31 December 2020 is a general purpose condensed financial report prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and *The Corporations Act 2001*.

The interim financial report does not include all the information and disclosures required in the annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2020 and any public announcements made by Actinogen Medical during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial report has been prepared on an accrual basis and on the basis of historical costs and does not take into account changing money values. The interim financial report has been prepared on a going concern basis which assumes continuity of business and the realisation of assets and liabilities in the ordinary course of business.

The Company has incurred a loss for the period ended 31 December 2020 of \$2,357,619 (31 December 2019: \$4,040,509) and experienced net cash inflows from operating activities of \$1,065,473 (31 December 2019: inflows of \$527,008).

The Directors believe that the Company has sufficient cash resources to allow it to meet its committed expenditure for at least the next 12 months. For this reason, the Directors consider the going concern basis of preparation to be appropriate.

b) New and amended Accounting Standards and interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim financial report are consistent with those followed in the preparation of the annual financial report for the year ended 30 June 2020. The adoption of the new and amended accounting standards and interpretations had no impact on the Company.

The Company has not early adopted any other accounting standard, interpretation or amendment that has been issued but is not yet effective. The adoption of these standards, interpretations or amendments is not expected to have a material impact on the financial position or performance of the Company.

2. DIVIDENDS

No dividends were paid or proposed during the half-year ended 31 December 2020 (31 December 2019: Nil).

3. SEGMENT INFORMATION

The Company's sole operations are within the biotech industry within Australia. Given the nature of the Company, its size and current operations, the Company's management does not treat any part of the Company as a separate operating segment. Internal financial information used by the Company's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable segments. Accordingly, the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

ACTINOGEN MEDICAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

4. FINANCIAL INSTRUMENTS

Set out below is an overview of the financial assets held by the Company as at 31 December 2020 and 30 June 2020:

	Cash and cash equivalents	Financial assets / liabilities at amortised cost
As at 31/12/2020	\$	\$
Financial assets:		
Cash and cash equivalents	12,912,628	-
Trade and other receivables	-	109,563
Total current assets	12,912,628	109,563
Total financial assets	12,912,628	109,563
Financial liabilities:		
Trade and other payables	-	566,621
Lease liabilities - current	-	90,397
Total current liabilities	-	657,018
Lease liabilities - non-current	-	257,196
Total non-current liabilities	-	257,196
Total financial liabilities	-	914,214
Net exposure	12,912,628	(804,651)
	Cash and cash equivalents	Financial assets / liabilities at amortised cost
As at 30/6/2020	\$	\$
Financial assets:		
Cash and cash equivalents	5,040,486	-
Trade and other receivables	-	3,123,428
Total current assets	5,040,486	3,123,428
Total financial assets	5,040,486	3,123,428
Financial liabilities:		
Trade and other payables	-	509,275
Lease liabilities - current	-	86,018
Total current liabilities	-	595,293
Lease liabilities - non-current	-	303,852
Total non-current liabilities	-	303,852
Total financial liabilities	-	899,145
Net exposure	5,040,486	2,224,283

ACTINOGEN MEDICAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

Fair Value Measurements

AASB 7 Financial Instruments requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

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

There were no financial assets and financial liabilities to measure and recognise at fair value as at 31 December 2020 and 30 June 2020.

Fair Values

The carrying value of financial instruments are assumed to approximate their fair value due to their short-term nature.

5. REVENUE AND OTHER INCOME; AND RESEARCH & DEVELOPMENT EXPENSES

	Half-year ended 31/12/2020	Half-year ended 31/12/2019
	\$	\$
Income		
Interest revenue	16,313	58,058
	16,313	58,058
<u>Other income</u>		
Government grants	50,000	27,500
Research and development tax rebate	-	653,509
<i>Total other income</i>	50,000	681,009
Total income	66,313	739,067
	\$	\$
Expenses		
<u>Research and Development Costs:</u>		
Research consultants	246,094	89,657
Administrative	157,425	78,562
Laboratory expenses	386,402	2,841,504
	789,921	3,009,723

ACTINOGEN MEDICAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

6. CASH AND CASH EQUIVALENTS

	As at 31/12/2020	As at 30/06/2020
	\$	\$
Cash at bank and on hand	10,847,628	1,475,485
Short term deposits (b)	2,065,000	3,565,001
Total cash and cash equivalents (a)	12,912,628	5,040,486

(a) During the period the following inflows of cash contributed to the closing cash position:

- The Company received proceeds of \$7,360,230 from issuing 334,555,892 in issued capital at \$0.022 per share under a Private Placement and Rights Issue.
- The Company received \$16,313 in interest revenue from cash held in interest-bearing accounts and short-term deposits.
- The Company received a research and development ("R&D") rebate from the ATO totalling \$2,833,544 for the R&D rebate receivable recognised during the financial year ended 30 June 2020.
- The Company received \$50,000 in COVID-19 economic relief from the ATO.

(b) Short-term deposits:

Of the \$2,065,000 held in short-term deposits, \$65,000 relates to a deposit held with the National Australian Bank (NAB) for the credit cards issued by the NAB to Actinogen Medical. The remaining \$2,000,000 is held in interest-bearing term deposits also held with the NAB.

7. TRADE AND OTHER RECEIVABLES

	As at 31/12/2020	As at 30/06/2020
	\$	\$
Prepayments (a)	24,068	461,020
Goods and services tax receivable (b)	85,495	173,537
Research and development tax rebate receivable (c)	-	2,482,699
Other receivable	-	6,172
Total other receivables	109,563	3,123,428

(a) Prepayments: As at 31 December 2020, \$24,068 relates to prepaid insurances. In the prior period ended 30 June 2020, \$461,020 comprised \$60,175 in prepaid insurances plus an R&D rebate portion of \$400,845 calculated on eligible expenditure incurred that related to the manufacturing of consumables not yet delivered. This was received during the half-year upon receipt of the R&D Tax Incentive paid out by the ATO. Refer to Note 7(c) below for more information.

ACTINOGEN MEDICAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

(b) Goods and services tax receivable: This amount relates to good and services tax (GST) paid during the quarter ended 31 December 2020 that is refundable to the Company.

(c) R&D tax rebate receivable: During the half-year, the Company received a cash inflow, paid by the ATO, of \$2,833,544. Of this amount, \$2,482,699 cleared out the R&D rebate portion that was recognised as a receivable as at 30 June 2020, plus \$400,085 that was sitting in prepayments as at 30 June 2020 (see Note 7(a) above).

None of the current receivables are impaired or past due but not impaired.

8. PROPERTY, PLANT & EQUIPMENT

	As at 31/12/2020	As at 30/06/2020
	\$	\$
At cost	22,760	22,760
Accumulated depreciation	(7,896)	(4,219)
Total property, plant and equipment	14,864	18,541

Movements during the period

	Computer Equipment	Total
	\$	\$
Balance at 1 July 2019	-	-
Acquisitions	22,760	22,760
Depreciation	(4,218)	(4,218)
Balance at 30 June 2020	18,542	18,542
Balance at 1 July 2020	18,542	18,542
Acquisitions	-	-
Depreciation	(3,678)	(3,678)
Balance at 31 December 2020	14,864	14,864

ACTINOGEN MEDICAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

9. RIGHT-OF-USE ASSET AND LEASE LIABILITY

Set out below are the carrying amounts of the Company's assets and lease liabilities recognised in the condensed interim consolidated statement of financial position and the movements during the six-month period ended 31 December 2020:

	Right-of-use Assets	
	Property	Lease Liability
	\$	\$
As at 1 July 2020	372,501	389,870
Depreciation expense	(47,556)	-
Interest expense (i)	-	9,737
Payments (i)	-	(52,014)
As at 31 December 2020 (ii)	324,945	347,593
As at 1 July 2019	-	-
Initial adoption of AASB 16	467,613	467,613
Depreciation expense	(95,112)	-
Interest expense	-	22,618
Payments	-	(100,361)
As at 30 June 2020	372,501	389,870

- i. The principal component of the \$52,014 in lease payments made during the half-year ended 31 December 2020 equates to \$42,277, which is net of \$9,737 in interest expense paid.
- ii. Of the total lease liability amounting to \$347,593, \$90,397 is current and \$257,196 is non-current.

Set out below are the amounts recognised in the condensed interim consolidated statement of comprehensive loss for the six-month period ended 31 December 2020:

	As at	As at
	31/12/2020	30/06/2020
	\$	\$
Depreciation expense on right-of-use asset	47,556	95,112
Interest expense on lease liabilities	9,737	22,618
Rent expense - short-term leases	780	1,560
Total amounts recognised in profit or loss	58,073	119,290

ACTINOGEN MEDICAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

10. INTANGIBLE ASSETS

	As at 31/12/2020	As at 30/06/2020
	\$	\$
At cost	5,756,743	5,756,743
Accumulated amortisation	(2,110,643)	(1,933,892)
Accumulated impairment loss	(476,900)	(476,900)
Total intangible assets	3,169,200	3,345,951

Movements during the period

	Intellectual Property \$
Balance at 1/7/2020	3,345,951
Amortisation expense	(176,751)
Impairment loss	-
Balance at 31/12/2020	3,169,200
Balance at 1/7/2019	3,659,553
Amortisation expense	(313,602)
Impairment loss	-
Balance at 30/6/2020	3,345,951

11. TRADE AND OTHER PAYABLES

	As at 31/12/2020	As at 30/06/2020
	\$	\$
Trade payables (a)	66,960	46,841
Accruals and other payables	39,550	27,000
Deferred income (b)	400,845	400,845
Goods and services tax payable	372	-
NAB credit cards	4,420	-
Provision for payroll tax	2,633	-
PAYG payable	51,841	34,589
Total trade and other payables	566,621	509,275

(a) Trade payables are non-interest-bearing liabilities stated at cost and settled within 30 days.

(b) Deferred income relates to an R&D rebate amount (refer to Note 7 (a) that the Company received cash proceeds for during the half-year period. The deferred income will only be reversed and recognised as income upon physical supply of drugs by a supplier of the Company.

ACTINOGEN MEDICAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

12. ISSUED CAPITAL

	As at 31/12/2020	As at 30/06/2020
	\$	\$
Fully paid ordinary shares (Quantity: 1,450,787,169)	58,678,387	51,318,157
Capital raising costs	(3,904,835)	(3,393,551)
Total contributed equity	54,773,552	47,924,606

(a) Movements in ordinary shares during the period

	Date	Quantity	Unit Price \$	Total \$
Opening balance at 1 July 2019		1,119,231,320		48,044,606
Less cancelled unvested loan shares	31/01/2020	(3,000,000)		(120,000)
Balance at 30 June 2020		1,116,231,320		47,924,606
Proceeds from Placement	Oct-2020	272,727,273	\$ 0.022	6,000,000
Proceeds from Rights Issue	Nov-2020	61,828,576	\$ 0.022	1,360,230
Capital raising costs associated with Placement & Rights Issue				(511,284)
Balance at 31 December 2020		1,450,787,169		54,773,552

(b) Movements in reserve shares during the period

Reserve shares	Date	Quantity	Unit Price \$	Total \$
Opening balance at 1 July 2019		(12,000,000)		(480,000)
Repayment of loan shares by Dr Ketelbey		9,000,000	0.04	360,000
Cancellation of unvested loan shares		3,000,000	0.04	120,000
Balance at 30 June 2020		-		-
Balance at 31 December 2020		-		-

ACTINOGEN MEDICAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

13. RESERVES

	As at 31/12/2020	As at 30/06/2020
	\$	\$
Option Reserve	7,572,956	7,490,745
Total reserves	7,572,956	7,490,745

(a) Movements in option reserve during the period

The option reserve is used to recognise the value of equity-settled share-based payments on valuation of Director, employee, and consultancy share options. During the half-year, \$82,211 in share-based payment expenses were recognised through the statement of comprehensive income.

	As at 31/12/2020	As at 30/06/2020
	\$	\$
Option Reserve		
Balance at the beginning of the period	7,490,745	7,296,257
Share-based payment expense on Director options	50,627	127,419
Share-based payment expense on employee options	15,010	30,020
Share-based payment expense on consultant options	16,574	37,049
Balance at end of period	7,572,956	7,490,745

14. CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities or assets as at 31 December 2020 (2019: Nil).

15. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Other than what is stated below, there are no other matters or circumstances that have arisen since the end of the reporting period which have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of the Company in subsequent financial years.

- On 5 February 2021, the United States Food and Drug Administration granted the Company's drug, Xanamem, Rare Paediatric Disease Designation for the treatment of Fragile X syndrome.
- On 10 February 2021, the Company successfully raised an additional \$3,551,000 under a shortfall placement in respect of 161,409,078 ordinary shares at the offer price of \$0.022 per share.

16. RELATED PARTY DISCLOSURE

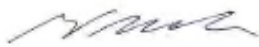
Other than transactions with Key Management Personnel in the ordinary course of business, there were no other related party transactions that occurred during the half-year.

**ACTINOGEN MEDICAL LIMITED
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

In accordance with a resolution of the Directors of Actinogen Medical Limited, I state that:

- (a) The Financial Statements and Notes set out on pages 8 to 20 are in accordance with the Corporations Act 2001, including:
- i. complying with Accounting Standard AASB 134 Interim Financial Reporting, and the Corporations Regulations 2001; and
 - ii. giving a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and,
- (b) 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 made in accordance with a resolution of the Directors.



Dr. Geoffrey Brooke
Executive Chairman
Date: 24 February 2021
Sydney, New South Wales

Independent auditor's review report to the members of Actinogen Medical Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Actinogen Medical Limited (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of 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.

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

- a. giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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, anything has come to our attention that causes us to 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 Company's financial position as at 31 December 2020 and its financial 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 the Company, 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Ernst & Young



Pierre Dreyer
Partner
Perth
24 February 2021