



**EXOPHARM LIMITED (ASX:EX1)**

**ACN: 163 765 991**

**APPENDIX 4D – Interim Financial Report for the Half Year - 31 December 2018**

**Results for announcement to the market**

**1. Details of reporting periods:**

**Current reporting period** : Six (6) months to 31 December 2018  
**Previous corresponding period** : Six (6) months to 31 December 2017

**2. Results for announcement to the market:**

	Six Months 31 December 2018 \$	Six Months 31 December 2017 \$	% Change
Revenues	623	-	N/A
Loss after tax (ordinary activities)	(892,219)	-	N/A
Loss after tax attributable to members.	(892,219)	-	N/A

The Company does not intend to declare a dividend for the period.

Commentary on the above figures is included in the attached Interim Financial Report for the half year ended 31 December 2018.

**3. Statement of comprehensive income**

Refer to attached Interim Financial Report for the half year ended 31 December 2018.

**4. Statement of financial position**

Refer to attached Interim Financial Report for the half year ended 31 December 2018.

**5. Statement of cash flows**

Refer to attached Interim Financial Report for the half year ended 31 December 2018.

**6. Statement of changes in equity**

Refer to attached Interim Financial Report for the half year ended 31 December 2018.

**7. Dividend payments**

Refer to attached Interim Financial Report for the half year ended 31 December 2018.

**8. Dividend reinvestment plans**

Not applicable.

**9. Net tangible assets per security**

	31 December 2018 \$	31 December 2017 \$
Net tangible assets per ordinary security	\$0.077	\$0.00

**10. Gain or loss of control over entities**

Not applicable.

**11. Associates and joint ventures**

Not applicable.

**12. Other significant information**

Not applicable.

**13. Foreign entities**

Not applicable.

**14. Status of audit**

The Interim Financial Report for the half year ended 31 December 2018 has been audit reviewed and is not subject to dispute or qualification.



**Exopharm Limited**

ACN 163 765 991

**Interim Financial Report**

**For the Half Year - 31 December 2018**

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## **CORPORATE INFORMATION**

**ACN 163 765 991**

### **Directors**

Mr Jason M Watson

Dr Ian E Dixon

Mr David R Parker

### **Company Secretary**

Mr David R Parker

### **Registered Office**

C/o Haines Muir Hill Pty Ltd

888 Doncaster Road

Doncaster East Vic 3109

### **Principal Place of Business**

Level 17/31 Queen Street

Melbourne Vic 3000

Telephone: (03) 9111 0026

Email: [info@exopharm.com](mailto:info@exopharm.com)

### **Auditors**

William Buck

Level 20, 181 William Street

Melbourne VIC 3000

### **Solicitors**

Jackson MacDonald

Level 17, 225 St Georges Terrace

Perth, Western Australia 6000

### **Share Register**

Automatic Registry Services

Level 5, 126 Phillip Street,

Sydney NSW 2000

Telephone: 1300 288 664

Email: [hello@automatic.com.au](mailto:hello@automatic.com.au)

### **Securities Exchange Listing**

Australian Securities Exchange

Code: EX1

## DIRECTOR'S REPORT

Your directors submit the interim financial report of Exopharm Limited 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 of directors who held office during or since the end of the half year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Jason M Watson	Non-Executive Chairman	Appointed 10 August 2018
Ian E Dixon	Managing Director & CEO	
David R Parker	Non-Executive Director and Company Secretary	

### Review of Operations

#### Principal Activities

The principal activity of the Company during the half was progressing its exosome-based regenerative medicines, primarily further developing the LEAP Technology, manufacturing prototype products using the LEAP Technology and other activities within the Development Program.

#### Review of Operating Results and financial conditions for the period

The loss of the Company for the half year ended 31 December 2018 amounted to \$892,219 compared to a loss of Nil for the half year ended 31 December 2017. The Company had cash in bank of \$6,039,052 as at 31 December 2018.

#### Key Highlights

- Exopharm was assigned the LEAP Technology from Altnia Operations, replacing the existing licensing agreement.
- Exopharm converted to a public company as part of preparations for an Initial Public Offering and seed capital raising.
- Exopharm raised \$7m through a fully subscribed IPO and listed on the ASX in December.
- Exopharm aims to be a leader in the field of human therapeutics using exosomes as regenerative medicine products to treat health span related conditions.
- Funding from the IPO is being used to fund a Development Program and accordingly the development and commercialisation of the LEAP Technology and Plexaris and Exomere products.
- The Company has sponsored testing of experimental Plexaris and Exomere product in an animal model of wound healing by a contract research organisation (CRO) with results prepared and received following the end of the half year (refer to **Non-Clinical Study Developments** update in the following page).

#### ASX Initial Public Offering

Exopharm Limited successfully listed on the Australian Securities Exchange (ASX) in December via an Initial Public Offer, raising \$7,000,000 through the issue of 35,000,000 shares at \$0.20. The Company was admitted to the Official List of the ASX on 14 December 2018 and trading commenced on Tuesday, 18 December 2018.

#### Primary Focus

As its primary focus, Exopharm aims to be a leader in the field of human therapeutics using exosomes as regenerative medicine products. Exopharm is an Australian regenerative medicine biopharmaceutical company seeking to develop and commercialise exosomes as therapeutic agents – initially a product called Plexaris™ and later a product called Exomeres™. These products are exosomes that are derived from human platelets in relation to Plexaris, and adult stem cells in relation to Exomeres, and purified using the LEAP Technology and referred to as biologic products. Exopharm's Development Program has the ultimate aim to establish both Plexaris and Exomeres as leading regenerative medicines to treat health span related medical conditions.

#### Assignment of the LEAP Technology

During the half, the Company acquired all associated intellectual property rights (the patent applications) and know how in respect to the LEAP Technology. The LEAP Technology was previously licensed from Altnia Operations through a License Agreement. The Company has a Royalty Agreement with Altnia Operations, as consideration of the assignment of the LEAP Technology, which includes a Net Sales Royalty; License Royalty and reimbursement of a portion of the prior development fees that were incurred by Altnia.

**Significant corporate events during the half year**

On 23 July 2018, the Company issued 6,934,167 fully paid ordinary shares at \$0.12 per share and on 10 August 2018, the Company issued a further 3,065,833 fully paid ordinary shares at \$0.12 per share to raise \$1,200,000 in total, less share issue costs.

On 10 August 2018 the company type was changed to a public limited company, and the name of the Company was amended to Exopharm Limited.

On 10 August 2018, the Company appointed Mr Jason Watson as a director of the Company.

On 10 December 2018, 35,000,000 fully paid ordinary shares at \$0.20 to raise \$7,000,000 less share issue costs and listed on the ASX on 18 December 2018.

**Patent Applications**

The Company continues to progress the two existing LEAP Technology patent applications. The LEAP Technology patent applications are owned by Exopharm.

**Non-Clinical Study Developments**

In Q4 '18, the Company sponsored testing of experimental Plexaris and Exomere product in animal models of wound healing by a contract research organisation (CRO) (Pilot Plexaris and Exomeres Study).

Since the end of the half, the Company received results from the Pilot Plexaris and Exomeres Study. This early stage proof of concept (POC) study investigated the safety, efficacy and biochemistry of treating rats with either Plexaris or Exomeres in a model of wound healing and was conducted under Animal Ethics approvals.

Attention is drawn to the following points:

1. This testing was the first time that sterile Plexaris (exosomes from Platelets) and Exomeres (exosomes from adult stem cells) have been manufactured and administered to animals.
2. Preparation for this testing has:
  - demonstrated the application of Exopharm's LEAP Technology to a biologic product for the first time; and
  - tried and tested the in-house upstream process (USP) and downstream process (DSP) developments, the suitability of equipment used in the USP and DSP, and Exopharm's ability to increase its manufacturing scale.
3. Both Plexaris and Exomeres were reported to be safe and there were no adverse reactions reported.
4. Administration of either Plexaris or Exomeres did not produce any significant adverse histological (i.e. microscopic biological) features in the samples assessed.
5. Despite the small scale of this present study, wound tissue tensile strength, an essential feature of wound healing and the explorative primary efficacy outcome measure of the study, showed signs of a positive dose-response with Plexaris treatment.
6. The study was designed as a pilot proof of concept study to inform future wound healing studies in both small and large animals to be conducted by Exopharm and CROs.
7. Only a total of 20 rats were involved (including two controls) and each dose group only contained 3 animals, so this study was not statistically powered to provide more than proof of concept outcomes.

**Outlook and Development Program for CY 2019**

Exopharm is progressing its core activities - manufacturing, clinical programs and supporting research and development activities. This includes undertaking further testing of both Plexaris and Exomeres and preparations for its clinical trial using autologous Plexaris in wound healing which is planned for mid year CY19. The Company is also investigating other LEAP Opportunities in CY 2019.

**DIRECTOR'S REPORT (continued)****Likely developments and expected results**

The Company's prospects are dependent on the ongoing results from the planned clinical programs. As the Company's Development Program progresses further information will come to hand and test results will become available. The Company will release material information as it becomes available. The Company is unable to provide any financial forecasts given these forecasts are dependent on the Development Program and various other factors, as such this information has not been presented in this report.

**Auditor Independence**

Section 307C of the Corporations Act 2001 requires our auditors, William Buck Audit (Vic) Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page seven (7) and forms part of this directors' report for the half year ended 31 December 2018.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'I.E. Dixon', with a stylized flourish at the end.

**Dr Ian E Dixon**  
**Managing Director**

Dated 21 February 2019





**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF EXOPHARM LIMITED**

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2018 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

*William Buck*

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

A handwritten signature in blue ink, appearing to read "J. C. Luckins".

**J. C. Luckins**  
Director

Dated this 21<sup>st</sup> day of February, 2019

**CHARTERED ACCOUNTANTS  
& ADVISORS**

Level 20, 161 William Street  
Melbourne VIC 3000  
Telephone: +61 3 9824 8505  
[williebuck.com](http://williebuck.com)

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 31 DECEMBER 2018**

	Notes	31 Dec 2018 \$	31 Dec 2017 \$
<b>Revenue</b>			
Interest income		623	-
<b>Expenses</b>			
Research and development		(174,364)	-
Corporate expenses		(158,881)	-
Employee costs		(396,316)	-
Depreciation		(15,406)	-
Other expenses		(27,270)	-
Administrative expenses		(120,605)	-
<b>Loss before income tax expense</b>		<b>(892,219)</b>	-
Income tax expense		-	-
<b>Loss for the period</b>		<b>(892,219)</b>	-
<b>Other comprehensive income, net of income tax</b>		-	-
<b>Total comprehensive loss for the year</b>		<b>(892,219)</b>	-
<b>Loss attributable to members of the Company</b>		<b>(892,219)</b>	-
<b>Basic loss per share</b>	4	<b>0.02</b>	-

The accompanying notes form part of these financial statements.

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	31 December 2018 \$	30 June 2018 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		6,039,052	52,401
Other current assets		225,670	60,380
<b>Total Current Assets</b>		<b>6,264,722</b>	<b>112,781</b>
<b>Non-current Assets</b>			
Fixed assets		97,828	20,478
Intangible assets	5	325,000	175,000
<b>Total Non-current Assets</b>		<b>422,828</b>	<b>195,478</b>
<b>Total Assets</b>		<b>6,687,550</b>	<b>308,259</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and other current liabilities		(180,285)	(215,527)
<b>Total Current Liabilities</b>		<b>(180,285)</b>	<b>(215,527)</b>
<b>Non-current Liabilities</b>			
Other non-current liabilities		-	(100,000)
<b>Total Non-current Liabilities</b>		<b>-</b>	<b>(100,000)</b>
<b>Total Liabilities</b>		<b>(180,285)</b>	<b>(315,527)</b>
<b>Net Assets / (Liabilities)</b>		<b>6,507,265</b>	<b>(7,268)</b>
<b>Equity</b>			
Issued capital	3	7,575,842	169,090
Accumulated losses		(1,068,577)	(176,358)
<b>Total Equity</b>		<b>6,507,265</b>	<b>(7,268)</b>

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY FOR  
THE HALF YEAR ENDED 31 DECEMBER 2018**

	Issued Capital	Accumulated Losses	Total Equity
	\$	\$	\$
Balance as at 1 July 2017	1,000	(1,761)	(761)
Loss for the period	-	-	-
Other comprehensive income, net of income tax	-	-	-
Total comprehensive loss for the period	-	-	-
<b>Balance as at 31 December 2017</b>	<b>1,000</b>	<b>(1,761)</b>	<b>(761)</b>

	Issued Capital	Accumulated Losses	Total Equity
	\$	\$	\$
Balance as at 1 July 2018	169,090	(176,358)	(7,268)
Loss for the period	-	(892,219)	(892,219)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(892,219)	(892,219)
Shares issued during the period	8,200,000	-	8,200,000
Share issue costs	(793,248)	-	(793,248)
<b>Balance as at 31 December 2018</b>	<b>7,575,842</b>	<b>(1,068,577)</b>	<b>6,507,265</b>

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2018**

	Note	31 Dec 2018 \$	31 Dec 2017 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(1,077,968)	-
Interest received		623	-
Net cash (used in) operating activities		(1,077,345)	-
<b>Cash flows from investing activities</b>			
Purchase of fixed assets		(92,756)	-
Payments for IP asset		(250,000)	-
Net cash (used in) investing activities		(342,756)	-
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares – net of issue costs		7,406,752	-
Net cash provided by financing activities		7,406,752	-
Net increase in cash and cash equivalents		5,986,651	-
Cash and cash equivalents at the beginning of the period		52,401	-
<b>Cash and cash equivalents at the end of the period</b>		<b>6,039,052</b>	<b>-</b>

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) **Basis of Preparation**

The condensed interim financial statements (the interim financial statements) are general purpose interim financial statements and have been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements comprise the condensed interim financial statements for the Company.

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as the full financial report. It is recommended interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2018 and any public announcements made by Exopharm Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets.

The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted

(b) **Adoption of new and revised standards  
Changes in accounting policies on initial application of Accounting Standards**

In the half year ended 31 December 2018, the Board has reviewed all new and revised standards and interpretations issued by the AASB that are relevant to the Company and effective for the current reporting period.

As a result of this review, the Board has determined that there is no material impact of the new and revised standards and interpretations on the Company and, therefore, no material change is necessary to the Company accounting policies.

The Board has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the period ended 31 December 2018. As a result of this review the Board has determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Company accounting policies.

(c) **Statement of compliance**

The financial report was authorised for issue on 21<sup>st</sup> February 2018. The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) **Critical accounting judgements and key sources of estimation uncertainty**

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (d) Critical accounting judgements and key sources of estimation uncertainty (continued)

##### *Impairment*

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### NOTE 2: SEGMENT REPORTING

The Company only operated in one segment, being regenerative medicine and biopharmaceutical drug development.

### NOTE 3: ISSUED CAPITAL

As at 31 December 2018, the Company had the following issued share capital:

	31 December 2018		30 June 2018	
	Number	\$	Number	\$
Fully paid ordinary shares	80,500,000	7,575,842	35,500,000	169,090
	<b>80,500,000</b>	<b>7,575,842</b>	<b>35,500,000</b>	<b>169,090</b>
Movement of issued share capital:				
Balance at beginning of period/year	35,500,000	169,090	100,000	1,000
Shares issued through capital raising	10,000,000	1,200,000	35,400,000	177,990
Shares issued through initial public offering	35,000,000	7,000,000	-	-
Less share issue costs	-	(793,248)	-	(9,900)
<b>Balance at end of period/year</b>	<b>80,500,000</b>	<b>7,575,842</b>	<b>35,500,000</b>	<b>169,090</b>

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018

### NOTE 4: LOSS PER SHARE

Basic and diluted loss per share

	31 December 2018	31 December 2017
	Dollars per share (\$)	Dollars per share (\$)
Basic loss per share (dollars per share)	0.02	-

Loss

Losses used in the calculation of basic and diluted loss per share is as follows:

	31 December 2018	31 December 2017
	\$	\$
Losses	892,219	-

Weighted average number of ordinary shares

The weighted average number of ordinary shares used in the calculation of basic and diluted loss per share is as follows:

	31 December 2018	31 December 2017
	Number	Number
Weighted average number of ordinary shares for the purpose of basic loss per share	47,944,647	100,000

### NOTE 5: INTANGIBLE ASSETS

	31 December 2018	30 June 2018
	\$	\$
<b>IP asset – LEAP Technology IP</b>		
Balance at the beginning of period/year	175,000	-
Additions	150,000	175,000
Balance at the end of period/year	325,000	175,000



## **NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018**

### **NOTE 6: EVENTS AFTER THE BALANCE DATE**

There were no material events after the balance date.

### **NOTE 7: DIVIDENDS**

The directors of the Company have not declared any dividend for the half year ended 31 December 2018.

### **NOTE 8: COMMITTEMENTS AND CONTINGENCIES**

As at 31 December 2018, the Company has no other material commitments except as disclosed below:

The Company is a party to a Royalty Deed (the "Agreement") with Altnia Operations Pty Ltd (the "Assignor") (a company owned by a KMP).

1. Net Sales Royalty: 3% of sales revenue
2. License Royalty: 10% of sub-license revenue

As at 31 December 2018, the Company has no contingent liabilities.

### **NOTE 9: FINANCIAL INSTRUMENTS**

The methods and valuation techniques used for the purpose of measuring fair value are unchanged from previous periods. The carrying amounts of the current receivables and current payables are considered to be a reasonable approximation of their fair values.

## DIRECTOR'S DECLARATION

In accordance with a resolution of the directors Exopharm Limited, I state that:

In the opinion of the directors,

- (a) The half-year financial report of the Company is in accordance with the Corporations Act 2001, including:
- (i) giving a true and fair view of the financial position as at 31 December 2018 and of its performance;
  - (ii) complying with Accounting Standards AASB 134 Interim Financial reporting and Corporations Regulations 2001.

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

On behalf of the Board

A handwritten signature in black ink, appearing to be 'I.E. Dixon', written in a cursive style.

**Dr Ian E Dixon**  
**Managing Director**

Dated 21 February 2019



## Exopharm Limited

### Independent auditor's review report to members

## Report on the Review of the Half-Year Financial Report

#### Conclusion

We have reviewed the accompanying half-year financial report of Exopharm Limited (the company), which comprises the statement of financial position as at 31 December 2018, 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.

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 Exopharm Limited 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 2018 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

#### Responsibilities of the Directors' 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Review of the Half-Year Financial Report

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 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 2018 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 Exopharm Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

#### CHARTERED ACCOUNTANTS & ADVISORS

Level 20, 181 William Street  
Melbourne VIC 3000  
Telephone: +61 3 9824 8555  
williambuck.com



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*.

A handwritten signature in blue ink that reads 'William Buck'.

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

A handwritten signature in blue ink that reads 'J. C. Luckins'.

**J. C. Luckins**  
Director

Dated this 21<sup>st</sup> day of February, 2019