

Noxopharm Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity: Noxopharm Limited
ABN: 50 608 966 123
Reporting period: For the year ended 30 June 2021
Previous period: For the year ended 30 June 2020

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	-	-
Loss from ordinary activities after tax attributable to the owners of Noxopharm Limited	up	3335.1%	(9,346,749)
Loss for the year attributable to the owners of Noxopharm Limited	up	3335.1%	(9,346,749)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to \$9,346,749 (30 June 2020: \$272,093).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>14.15</u>	<u>6.04</u>

4. Loss of control over entities

Not applicable.

5. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

6. Dividend reinvestment plans

Not applicable.

Noxopharm Limited
Appendix 4E
Preliminary final report

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

8. Attachments

Details of attachments (if any):

The Audited Financial Statements of Noxopharm Limited for the year ended 30 June 2021 is attached.

9. Signed

A handwritten signature in black ink, appearing to be 'S. K. D.', is written over a horizontal line.

Signed _____

Date: 26 August 2021

Noxopharm Limited

ABN 50 608 966 123

Audited Financial Statements - 30 June 2021

Noxopharm Limited
Directors' report
30 June 2021

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Noxopharm Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

The following persons were directors of Noxopharm Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr. Fred Bart, Non-Executive Chairman
Dr. Graham Kelly, Chief Executive Officer and Managing Director
Mr. Peter Marks, Non-Executive Director and Deputy Chairman
Dr. Ian Dixon, Non-Executive Director (resigned 31 August 2020)
Mr. Boris Patkin, Non-Executive Director

Principal activities

The consolidated entity's principal activity in the course of the current financial year continues to be drug development, with the primary focus being the clinical development of Veyonda® (Idronoxil) as an adjuvant therapy in chemotherapy and radiotherapy in the treatment of late-stage cancers. There were no significant changes in the nature of the Company's principal activity during the financial year.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to \$9,346,749 (30 June 2020: \$272,093).

During the financial year, the consolidated entity has:

- Continued to drive the 4-pillars strategy, investigating the ability of Veyonda® to enhance the effects of oncology treatments in conjunction with radiotherapy, radio-ligand therapy, checkpoint inhibitor therapy and chemotherapy;
- LuPIN study (Veyonda® + LuPSMA) survival data (mOS) of 19.7 months presented at major oncology conference. Compares favourably with other studies using LuPSMA alone with mOS of 11.6 months (WARMTH) and 15.3 months (VISION study);
- DARRT-2-study received Investigational New Drug (IND) approval by the FDA. The multi-national trial Phase 2 study is being overseen by international contract research organisation (CRO) Parexel. Recruitment of patients to be announced in the near future;
- IONIC-1-clinical trial, combining Veyonda® with checkpoint inhibitor Bristol Myers Squibb drug, Opdivo® (nivolumab). The study is going to be conducted at multiple Australian sites;
- CEP-1 Phase 1a/1b trial findings of positive anti-cancer outcomes in patients with advanced breast, ovarian, lung and prostate cancer were published in the peer-reviewed journal *Current Therapeutic Research*;
- CRO Paraixel is completing site selection in the US for the CEP-2 study, building on the encouraging outcomes of CEP-1;
- Recruitment into the NOXCOVID-1 study is complete, Veyonda® was determined to be well tolerated in the dose escalation-phase of the study in patients with compromised lung function;
- Continued to develop a pipeline of drug candidates as part of a strategy of expanding the profile of the Company in the global pharmaceutical industry.

Significant changes in the state of affairs

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

Noxopharm Limited
Directors' report
30 June 2021

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Noxopharm Limited
Directors' report
30 June 2021

Information on directors

Name:	Mr. Fred Bart
Title:	Non-Executive Chairman
Experience and expertise:	<p>In 1985, Mr Bart was appointed the Managing Director of Textile Industries Australia. The Group employed over 1,200 people and distributed product to many countries worldwide. The Company manufactured and distributed the majority of bed linen in Australia under brands like Sheridan and ACTIL. The Company was sold in 1987.</p> <p>In 1989, Mr Bart established and chairs a number of private companies under the umbrella of the Bart Group which covered hotels, retail, commercial and residential land development and technologies which still continue to operate. The Group today employs in excess of 1,000 people and is active in many local and overseas markets.</p> <p>In 2001, Mr Bart became Chairman of Electro Optic Systems Holdings Limited (ASX: EOS). Since that time it has grown to be one of Australia's premier defence companies with activities in many countries worldwide employing over 400 people and is currently included in the S&P/ASX 300.</p> <p>In September 2000, Mr Bart became a director and Chairman of Audio Pixels Holdings Limited (ASX: AKP). Audio Pixels is developing the first digital speaker in the world and currently has a market capitalisation of over \$600m.</p> <p>In 2013, Mr Bart became Chairman and majority shareholder of Immunovative Therapies Limited, a private Israeli company involved in the manufacture of vaccines for the treatment of certain forms of cancer. The Company has undertaken trials in both collateral and liver cancers.</p> <p>In March 2018, Mr Bart joined the Board of Weebit Nano Limited (ASX: WBT). Weebit is a developer of memory technology (1,000 X faster, 1,000 X more energy efficient and 100X higher endurance) than existing flash memory technologies.</p>
Other current directorships:	<p>Fred Bart is Chairman of ASX listed companies, Electro Optic Systems Holdings Limited and Audio Pixels Holdings Limited and is a director of Weebit Nano Limited. Mr Bart is also a director of Immunovative Therapies Limited, an Israeli company involved in the manufacture of cancer vaccines for the treatment of most forms of cancer.</p>
Former directorships (last 3 years):	N/A
Interests in shares:	5,618,651
Interests in options:	3,846,154

Noxopharm Limited
Directors' report
30 June 2021

Name: Dr. Graham Kelly
Title: Chief Executive Officer and Managing Director
Experience and expertise: Graham graduated with degrees in Science (1968) and Veterinary Science (1969) from The University of Sydney. After graduation he joined the newly-formed Department of Transplant Surgery in the Faculty of Medicine at The University of Sydney, gaining a Doctor of Philosophy in 1972. The subject of his PhD thesis was the manufacture and use of a novel drug for the treatment of tissue rejection in kidney transplant recipients, with that drug subsequently being commercialised and used globally in kidney transplantation. Graham was appointed Senior Research Fellow in Experimental Surgery at The University of Sydney, contributing through research in the areas of organ recovery for transplantation and liver transplant surgery. The increased susceptibility of organ transplant recipients to malignant cancer eventually led Graham to focus on the causes of that phenomenon, and in turn, to the broader issue of the link between diet and the incidences of certain cancers. The latter area of research led to a research interest in dietary isoflavones and their role in human health.

Graham developed a theory that dietary isoflavones were metabolised within the body into novel chemicals that possessed important hormone-like functions, and as such made important contributions to human health. That theory provided the basis for Graham leaving academia and founding the company, Norvet Ltd, which listed on the ASX in 1994. That company subsequently changed its name to Novogen Ltd and listed in the US on NASDAQ (1998). Graham was variously CEO, Executive Chairman and an Executive Director of Novogen, 1994-2006. He also was Executive Chairman of Marshall Edwards Inc (MEI) which listed on London's AIM exchange (2001) and NASDAQ (2003). MEI subsequently became MEI Pharma Inc. Graham resigned from his executive and Board positions at Novogen and MEI in 2006.

In early-2012, Graham addressed the matter of the transport of isoflavones in the blood of humans, conducting formulation studies in a private capacity that led shortly thereafter to the concept behind NOX66. After leaving Novogen in 2015, Graham established private biotechnology company Noxopharm Limited in order to commercialise NOX66. Noxopharm became a public company in August 2016. In 2017, Graham also founded the Delaware registered Nyrada Inc. to house the non-oncology discoveries from Noxopharm. Noxopharm is currently the largest shareholder in Nyrada Inc. which listed on the Australian Securities Exchange in January 2020.

Graham was also the founder of a fourth biotechnology company, Nyrada Inc. in September 2017. Nyrada (ASX:NYR) became a public company in January 2020. Nyrada is a drug development company with a focus on cardiovascular and traumatic brain injury treatments. Noxopharm is currently the major shareholder.

Other current directorships: N/A
Former directorships (last 3 years): Nyrada Inc. (resigned 8 September 2020)
Interests in shares: 36,152,294
Interests in options: 1,820,513

Noxopharm Limited
Directors' report
30 June 2021

Name: Mr. Peter Marks
Title: Non-Executive Director and Deputy Chairman
Experience and expertise: Peter has over 35 years' experience in corporate advisory, and investment banking. Over the course of his long career, he has specialised in capital raising IPO's, cross border, M&A transactions, corporate underwriting and venture capital transactions for companies in Australia, the US and Israel. He has been involved in a broad range of transactions with a special focus in the life sciences, biotechnology, medical technology and high tech segments. Peter has served as both an Executive and Non-Executive Director of a number of different entities which have been listed on the ASX, Nasdaq and AIM markets.

Other current directorships: Peter holds a Bachelor of Economics, Bachelor of Laws and a Graduate Diploma in Commercial Law from Monash University, Australia. He also holds an MBA from the University of Edinburgh, Scotland.

Alterity Therapeutics Limited (ASX: ATH) - since 29 July 2005 (formerly known as Prana Biotechnology Limited), Elsie Limited (ASX: ELS) since 9 January 2020 and Nyrada Inc. (ASX:NYR) since 16 January 2020.

Former directorships (last 3 years): Fluence Corporation Limited (ASX:FLC) - resigned 31 March 2020

Interests in shares: 900,000

Interests in options: 66,667

Name: Mr. Boris Patkin
Title: Non-Executive Director
Experience and expertise: Boris brings comprehensive market knowledge, thorough research and years of experience in investment markets and Business Consulting.

Boris's experience lends itself to Financial and Investment advising but also as a business consultant to further enhance business opportunities in Medical technology and in sourcing other opportunities to enhance investments. Boris has worked extensively with Israeli companies to explore various opportunities in the Medical and disruptive technology space.

Boris has developed an in-depth understanding of industry trends and gained valuable insight into domestic and international markets. Boris has specialised in reconstruction of Companies, Investments and International trade. He has extensive experience in developing and adding value to public listed companies, especially in the Medical, Resources and Retirement space.

Boris has completed a Bachelor of Science (Industrial Chemistry). Currently a member of TASSA, MeSAFAA and an AR with Morgans Financial Ltd.

Other current directorships: Non-Executive Chairman of Ausmon Resources Ltd - since 2014

Former directorships (last 3 years): N/A

Interests in shares: 630,000

Interests in options: 310,000

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Noxopharm Limited
Directors' report
30 June 2021

Company secretary
Mr. David Franks

David Franks (BEc, CA, FFin, FGIA, JP) has held the position of Company Secretary since 16 January 2017.

David is a Director and Principal of the Automic Group. He is a Chartered Accountant, Fellow of the Financial Services Institute of Australasia, Fellow of the Governance Institute of Australia, Justice of Peace and Registered Tax Agent, with over 20 years' experience as a Director and Company Secretary of numerous publicly listed entities. He holds a Bachelor of Economics (Finance and Accounting) from Macquarie University. David is an experienced Company Secretary and Director of listed and unlisted public companies and is currently Company Secretary for the following ASX listed public companies: Aumake Limited, COG Financial Services Limited, Cogstate Limited, JCurve Solutions Limited, IXUP Limited, Noxopharm Limited, Nyrada Inc, White Energy Company Limited and ZIP Co Limited.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Committee		Remuneration Committee	
	Attended	Held	Attended	Held	Attended	Held
Dr. Graham Kelly	7	7	2	2	1	1
Mr. Peter Marks	7	7	2	2	1	1
Dr. Ian Dixon	1	1	-	-	1	1
Mr. Boris Patkin	7	7	1	1	-	-
Mr. Fred Bart	7	7	-	-	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)

The Remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

Remuneration governance

The objective of the remuneration committee (constituting the full Board) is to ensure that pay and rewards are competitive and appropriate for the results delivered. The remuneration committee charter adopted by the Board aims to align rewards with achievement of strategic objectives and the creation of value for shareholders. The remuneration framework applied provides a mix of fixed and variable pay and a blend of short and long-term incentives as appropriate. Issues of remuneration are considered annually or otherwise as required.

Noxopharm Limited
Directors' report
30 June 2021

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. The Company's policy is to remunerate Non-Executive Directors at market rates (for comparable companies) for time commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the Company, however to align Directors' interests with shareholders' interests, Directors are encouraged to hold shares in the Company.

Non-Executive Directors' fees and payments are reviewed annually by the Board of Directors. The Board of Directors considers advice from external sources (excluding remuneration consultants) as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process. Each director receives a fee for being a director of the company.

The Chairman's fees are determined independently to the fees of other Non-Executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Retirement benefits and allowances

No retirement benefits are payable other than statutory superannuation, if applicable to the Directors of the Company.

Other benefits

No motor vehicle, health insurance or other similar allowances are made available to Directors (other than through salary-sacrifice arrangements).

Executive remuneration

Executive pay and reward consists of base pay, short-term performance incentives, long-term performance incentives and other remuneration such as superannuation. Superannuation contributions are paid into the executive's nominated superannuation fund.

Base Pay

Executives are offered a competitive level of base pay which comprises the fixed (unrisky) component of their pay and rewards. Base pay for senior executives is reviewed annually to ensure market competitiveness. There are no guaranteed base pay increases included in any senior executives' contracts. Base pay was increased during the year.

Short-term and long-term incentives

The Company currently operates an Executive Share Option Plan ("ESOP") which has been approved by shareholders in the 2016 Annual General Meeting.

Performance based Remuneration

The purpose of a performance bonus is to reward individual performance in line with company objectives. Consequently, performance based remuneration is paid to an individual where the individual's performance clearly contributes to a successful outcome for the consolidated entity. This is regularly measured in respect of performance against key performance indicators (KPI's).

The Company uses a variety of KPI's to determine achievement, depending on the role of the executive being assessed. These include:

- Successful contract negotiations;
- Company share price consistently reaching a targeted rate on the ASX or applicable market over a period of time;
- Company undertaking clinical trials in their primary drug Veyonda® within specified time frame.

Securities trading Policy

The trading of Company's securities by employees and Directors is subject to, and conditional upon, the Securities Trading Policy which is available on the Company's website (www.noxopharm.com).

If remuneration consultants are to be engaged to provide remuneration recommendations as defined under section 9B of the Corporations Act 2001, then they are engaged by, and report directly to, the remuneration committee. No remuneration consultants were engaged to provide remuneration services during the financial year.

Noxopharm Limited
Directors' report
30 June 2021

Remuneration Policy vs Financial Performance

The Company's policy is to remunerate based on industry practice and benchmark industry salaries rather than performance as this takes into account the risk and liabilities assumed by directors and executives as a result of their involvement in an R&D Biotech company.

Directors and executives are fairly compensated for the extensive work they undertake.

Voting and comments made at the company's 2020 Annual General Meeting ('AGM')

At the 2020 AGM, more than 75% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors, executives and company secretary of Noxopharm Limited:

- Dr. Graham Kelly - Chief Executive Officer and Managing Director
- Mr. Fred Bart - Non Executive Chairman
- Mr. Peter Marks - Non Executive Director and Deputy Chairman
- Mr. Boris Patkin - Non Executive Director
- Dr. Ian Dixon - Non Executive Director (resigned 31 August 2020)
- Mr. David Franks - Company Secretary

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary *	Super-annuation	Long service leave	Equity-settled	
2021	\$	\$	\$	\$	\$	\$	\$
<i>Directors:</i>							
Dr. Graham Kelly	300,000	-	23,126	30,000	341	-	353,467
Mr. Fred Bart	41,095	-	-	3,905	-	1,394,300	1,439,300
Mr. Peter Marks	60,000	-	-	-	-	-	60,000
Mr. Boris Patkin	45,000	-	-	-	-	8,029	53,029
Dr. Ian Dixon (resigned 31 August 2020)	10,274	-	-	976	-	-	11,250
<i>Other Key Management Personnel:</i>							
Mr. David Franks	-	-	-	-	-	16,490	16,490
	<u>456,369</u>	<u>-</u>	<u>23,126</u>	<u>34,881</u>	<u>341</u>	<u>1,418,819</u>	<u>1,933,536</u>

* provision for annual leave

Mr. David Franks, company secretary is also an associate of Automic Group who provides registry, accounting and company secretary services to the Company. The contracts with Automic Group Associates are based on normal commercial terms. Payments made to Automic Group during the year are disclosed in the related party transactions note of the financial statements.

Noxopharm Limited
Directors' report
30 June 2021

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary *	Super-annuation	Long service leave	Equity-settled	
2020	\$	\$	\$	\$	\$	\$	\$
<i>Directors:</i>							
Dr. Graham Kelly	315,000	-	7,725	31,500	17,621	-	371,846
Mr. Peter Marks	80,000	-	-	-	-	-	80,000
Dr. Ian Dixon	52,511	-	-	4,989	-	-	57,500
Mr. John Moore (resigned 16 July 2019)	7,500	-	-	-	-	-	7,500
Mr. Boris Patkin	11,250	-	-	-	-	-	11,250
Mr. Fred Bart	5,967	-	-	567	-	-	6,534
Dr. Beata Niechoda (resigned 16 October 2019)	29,625	-	-	-	-	-	29,625
<i>Other Key Management Personnel:</i>							
Mr. David Franks	-	-	-	-	-	8,475	8,475
Dr. Greg van Wyk (resigned 31 October 2019)	127,212	-	-	10,556	-	-	137,768
	<u>629,065</u>	<u>-</u>	<u>7,725</u>	<u>47,612</u>	<u>17,621</u>	<u>8,475</u>	<u>710,498</u>

* provision for annual leave

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2021	2020	2021	2020	2021	2020
<i>Directors:</i>						
Dr. Graham Kelly	100%	100%	-	-	-	-
Mr. Fred Bart	3%	100%	-	-	97%	-
Mr. Peter Marks	100%	100%	-	-	-	-
Mr. Boris Patkin	85%	100%	-	-	15%	-
Dr. Ian Dixon	100%	100%	-	-	-	-
Mr. John Moore	-	100%	-	-	-	-
Dr. Beata Niechoda	-	100%	-	-	-	-
<i>Other Key Management Personnel:</i>						
Mr. David Franks	-	-	-	-	100%	100%
Dr. Greg van Wyk	-	100%	-	-	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Dr. Graham Kelly
Title:	Chief Executive Officer and Managing Director
Agreement commenced:	9 August, 2016
Term of agreement:	Open
Details:	Noxopharm Limited
	Annual salary of \$300,000 plus superannuation of 10%. Notice period of 90 days by Executive or the Company; 12 months by Company without cause.

Noxopharm Limited
Directors' report
30 June 2021

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
8 December 2017	1 December 2018	30 November 2021	\$1.0800	\$0.617
8 December 2017	1 December 2019	30 November 2021	\$1.0800	\$0.617
8 December 2017	1 December 2020	30 November 2021	\$1.0800	\$0.617
10 December 2018	21 November 2019	21 November 2022	\$0.6200	\$0.288
10 December 2018	21 November 2020	21 November 2022	\$0.6200	\$0.288
10 December 2018	21 November 2021	21 November 2022	\$0.6200	\$0.288
16 December 2019	16 December 2020	16 December 2023	\$0.3200	\$0.169
6 November 2020	6 November 2021	6 November 2024	\$0.5500	\$0.329
15 December 2020	15 December 2020	15 December 2022	\$0.3150	\$0.467
15 December 2020	15 December 2020	15 December 2022	\$0.3150	\$0.464
15 December 2020	15 December 2020	15 December 2022	\$0.3150	\$0.464
31 May 2021	15 December 2021	15 December 2024	\$0.6810	\$0.314
31 May 2021	15 December 2022	15 December 2024	\$0.6810	\$0.313

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Number of options granted during the year 2021	Number of options granted during the year 2020	Number of options vested during the year 2021	Number of options vested during the year 2020
Mr. Fred Bart	3,000,000	-	3,000,000	-
Mr. David Franks	50,000	50,000	90,046	40,046
Mr. Greg van Wyk	-	-	-	5,208

Additional information

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2021	2020	2019	2018	2017
Share price at financial year end (cents)	64.50	16.50	47.50	61.00	36.50
Share price HIGH for the financial year ended 30 June (cents)	95.00	45.92	72.00	158.00	67.50
Share price LOW for the financial year ended 30 June (cents)	18.50	8.39	35.50	29.00	13.50

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Dr. Graham Kelly *	36,992,294	-	8,000,000	(8,840,000)	36,152,294
Mr. Peter Marks	700,000	-	200,000	-	900,000
Dr. Ian Dixon	1,766,246	-	-	-	1,766,246
Mr. Boris Patkin	630,000	-	-	-	630,000
Mr. Fred Bart **	5,594,780	-	3,080,189	(3,056,318)	5,618,651
	<u>45,683,320</u>	<u>-</u>	<u>11,280,189</u>	<u>(11,896,318)</u>	<u>45,067,191</u>

* Excludes securities held in the name of spouse, Mrs. Prue Kelly.

** 3,080,189 shares were issued to an associated entity of Fred Bart, Bart Superannuation Pty Limited atf 4f Investments Super Fund as consideration for the settlement of the short term loan convertible note on maturity.

Option holding - Company

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Dr. Graham Kelly *	13,895,513	-	(8,000,000)	(4,075,000)	1,820,513
Mr. Peter Marks	766,667	-	(200,000)	(500,000)	66,667
Dr. Ian Dixon	1,200,000	-	-	(500,000)	700,000
Mr. Boris Patkin	60,000	500,000	-	(250,000)	310,000
Mr. Fred Bart	1,864,927	3,000,000	-	(1,018,773)	3,846,154
Mr. David Franks	170,139	50,000	-	-	220,139
	<u>17,957,246</u>	<u>3,550,000</u>	<u>(8,200,000)</u>	<u>(6,343,773)</u>	<u>6,963,473</u>

* Excludes options held in in the name of the spouse, Mrs. Prue Kelly.

Other transactions with key management personnel and their related parties

Company secretarial and share registry services - provided by Automic Group, an entity associated with Mr. David Franks, on commercial terms and conditions. Total fees paid (excluding GST) to Automic Group for the year ended 30 June 2021 was \$308,236 (2020: \$312,569).

Prue Kelly, spouse of Graham Kelly (Chief Executive Officer and Managing Director) is employed as the Company's full time Investor Relation Manager/Executive Assistant on the Company's employment terms and condition. Total salary inclusive of superannuation paid to Prue Kelly for the year ended 30 June 2021 was \$131,856 (2020: \$134,890). The total value of unlisted options granted to Prue Kelly for the year ended 30 June 2021 was \$20,613 (2020: \$10,594).

This concludes the remuneration report, which has been audited.

Noxopharm Limited
Directors' report
30 June 2021

Shares under option

Unissued ordinary shares of Noxopharm Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
8 December 2017 **	30 November 2021	\$1.0800	386,343
10 December 2018 **	21 November 2022	\$0.6200	866,042
23 July 2019 *^^	23 July 2023	\$0.5605	4,722,222
23 December 2019 **	16 December 2023	\$0.3200	930,128
18 June 2020 ^	18 June 2023	\$0.3000	20,037,101
14 August 2020 ^	14 August 2023	\$0.3000	25,304,704
6 November 2020 **	6 November 2024	\$0.5500	1,050,000
15 December 2020	15 December 2024	\$0.3150	3,000,000
31 May 2021	15 December 2024	\$0.6810	250,000
			56,546,540

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

* In accordance with Listing Rule 3.11.2, and further to the terms of these options issued and Listing Rule 6.22.2, the exercise price of the options has been amended as a result of the 13 May 2020 pro-rata Entitlements Offer to shareholders.

** Issued under the Noxopharm employee share plan.

^ Issued for participating in capital raises.

^^ Issued in relation to the convertible notes issued July 2019 and December 2019.

Shares issued on the exercise of options

The following ordinary shares of Noxopharm Limited were issued during the year ended 30 June 2021 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
31 January 2016	\$0.3000	20,243,216
3 December 2019	\$0.3100	2,666,666
20 June 2020	\$0.3054	267,691
14 August 2020	\$0.3000	115
		23,177,688

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

Noxopharm Limited
Directors' report
30 June 2021

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

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

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of William Buck Audit (Vic) Pty Ltd

There are no officers of the company who are former partners of William Buck Audit (Vic) Pty Ltd.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

William Buck Audit (Vic) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Dr Graham Kelly
Director

26 August 2021

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

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

William Buck

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



N. S. Benbow
Director

Melbourne, 26 August 2021

ACCOUNTANTS & ADVISORS

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williambuck.com

Noxopharm Limited

Contents

30 June 2021

Statement of profit or loss and other comprehensive income	16
Statement of financial position	17
Statement of changes in equity	18
Statement of cash flows	19
Notes to the financial statements	20
Directors' declaration	42
Independent auditor's report to the members of Noxopharm Limited	42
Shareholder information	47

General information

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

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

Suite 3 Level 4
828 Pacific Highway
GORDON NSW 2072

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 26 August 2021. The directors have the power to amend and reissue the financial statements.

Corporate Governance Statement

The Corporate Governance Statement is available on the Company's website at <http://www.noxopharm.com>

Noxopharm Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	Consolidated 2021 \$	2020 \$
Revenue			
Other income	4	5,797,723	8,343,562
Net gain on reclassification of investment to fair value accounting	12	8,774,212	-
Net gain on disposal of investments		-	11,585,717
Expenses			
Corporate administration expenses	5	(1,722,626)	(3,045,016)
Research and development expenses		(12,560,987)	(7,672,034)
Depreciation and amortisation expenses		(261,723)	(241,445)
Finance fee expenses		(12,284)	-
Consulting, employee & director expenses	5	(5,656,445)	(5,407,893)
Finance costs	5	(2,186,221)	(3,466,847)
Share of loss of Associate (to 29 June 2021)		(1,040,874)	(1,095,617)
Fair value movement in derivative liability		(477,524)	-
Loss before income tax expense		(9,346,749)	(999,573)
Income tax expense	6	-	-
Loss after income tax expense for the year		(9,346,749)	(999,573)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>(9,346,749)</u>	<u>(999,573)</u>
Loss for the year is attributable to:			
Non-controlling interest		-	(727,480)
Owners of Noxopharm Limited		<u>(9,346,749)</u>	<u>(272,093)</u>
		<u>(9,346,749)</u>	<u>(999,573)</u>
Total comprehensive income for the year is attributable to:			
Continuing operations		(9,346,749)	(10,402,633)
Discontinued operations		-	9,403,060
Owners of Noxopharm Limited		<u>(9,346,749)</u>	<u>(999,573)</u>
		<u>(9,346,749)</u>	<u>(999,573)</u>
		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Noxopharm Limited			
Basic earnings per share	29	(3.54)	(7.52)
Diluted earnings per share	29	(3.54)	(7.52)
Earnings per share for profit from discontinued operations attributable to the owners of Noxopharm Limited			
Basic earnings per share	29	-	6.80
Diluted earnings per share	29	-	6.80
Earnings per share for loss attributable to the owners of Noxopharm Limited			
Basic earnings per share	29	(3.54)	(0.20)
Diluted earnings per share	29	(3.54)	(0.20)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Noxopharm Limited
Statement of financial position
As at 30 June 2021

	Note	Consolidated 2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	7	26,795,785	7,100,202
Trade and other receivables	8	5,799,224	4,646,649
Other assets	9	379,027	582,542
Total current assets		<u>32,974,036</u>	<u>12,329,393</u>
Non-current assets			
Receivables	10	-	225,232
Investments accounted for using the equity method	11	-	6,539,080
Financial assets at fair value through profit and loss	12	14,272,419	-
Plant and equipment		135,111	192,499
Right-of-use assets	13	349,308	658,110
Term deposit pledged for bank guarantee		122,837	122,837
Total non-current assets		<u>14,879,675</u>	<u>7,737,758</u>
Total assets		<u>47,853,711</u>	<u>20,067,151</u>
Liabilities			
Current liabilities			
Trade and other payables		6,130,170	1,786,852
Borrowings	14	231,666	4,586,820
Employee entitlements		445,359	311,968
Total current liabilities		<u>6,807,195</u>	<u>6,685,640</u>
Non-current liabilities			
Borrowings	15	117,642	413,290
Employee entitlements		152,499	95,463
Total non-current liabilities		<u>270,141</u>	<u>508,753</u>
Total liabilities		<u>7,077,336</u>	<u>7,194,393</u>
Net assets		<u>40,776,375</u>	<u>12,872,758</u>
Equity			
Issued capital	16	72,622,560	41,631,007
Reserves	17	8,487,119	2,708,106
Accumulated losses		<u>(40,333,304)</u>	<u>(31,466,355)</u>
Total equity		<u>40,776,375</u>	<u>12,872,758</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Noxopharm Limited
Statement of changes in equity
For the year ended 30 June 2021

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2019	28,700,897	4,455,342	(33,256,912)	(1,349,794)	(1,450,467)
Loss after income tax expense for the year	-	-	(272,093)	(727,480)	(999,573)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	(272,093)	(727,480)	(999,573)
Nyrada Warrants expense p/e 16 Jan 2020	-	259,614	-	-	259,614
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 16)	12,930,110	-	-	-	12,930,110
Deconsolidation of Nyrada Inc. - derecognition of option reserve	-	(1,017,506)	-	-	(1,017,506)
Deconsolidation of Nyrada Inc. - derecognition of Convertible note reserve	-	(762,045)	-	-	(762,045)
Deconsolidation of Nyrada Inc. - derecognition of NCI	-	-	-	2,077,274	2,077,274
Writeback of expired options held by Kazia	-	(2,062,650)	2,062,650	-	-
Vesting of share-based payments	-	1,835,351	-	-	1,835,351
Balance at 30 June 2020	<u>41,631,007</u>	<u>2,708,106</u>	<u>(31,466,355)</u>	<u>-</u>	<u>12,872,758</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 July 2020	41,631,007	2,708,106	(31,466,355)	-	12,872,758
Loss after income tax expense for the year	-	-	(9,346,749)	-	(9,346,749)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	(9,346,749)	-	(9,346,749)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	21,471,650	-	-	-	21,471,650
Issue of options to underwriter	(5,111,573)	5,111,573	-	-	-
Issue of Director's options	-	1,402,345	-	-	1,402,345
Exercise of options	7,544,451	(594,803)	-	-	6,949,648
Expired options	-	(479,800)	479,800	-	-
Conversion of collateral shares	267,637	-	-	-	267,637
Vesting of share-based payments	-	339,698	-	-	339,698
Conversion of short term loan convertible notes	6,819,388	-	-	-	6,819,388
Balance at 30 June 2021	<u>72,622,560</u>	<u>8,487,119</u>	<u>(40,333,304)</u>	<u>-</u>	<u>40,776,375</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Noxopharm Limited
Statement of cash flows
For the year ended 30 June 2021

	Note	Consolidated 2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers		16,000	-
Payments to suppliers and employees		(13,623,156)	(14,977,501)
Interest received		122,464	7,288
Receipt from R&D tax rebate		4,642,251	3,832,255
		(8,842,441)	(11,137,958)
Interest and other finance costs paid		(8,000)	-
Net cash used in operating activities	28	(8,850,441)	(11,137,958)
Cash flows from investing activities			
Payments for plant and equipment		-	(3,000)
Proceeds from deconsolidation of Nyrada, net of cash balances		-	340,815
Proceeds from short term loan Nyrada Inc.		225,232	-
Net cash from investing activities		225,232	337,815
Cash flows from financing activities			
Proceeds from issue of shares	16	30,097,660	11,006,286
Proceeds from convertible notes, net of costs		-	5,496,976
Proceeds from borrowings		-	4,200,000
Lease Payments - building		(244,821)	(271,142)
Share issue transaction costs		(1,528,350)	(785,680)
Repayment of borrowings - convertible note		-	(4,655,663)
Net cash from financing activities		28,324,489	14,990,777
Net increase in cash and cash equivalents		19,699,280	4,190,634
Cash and cash equivalents at the beginning of the financial year		7,100,202	2,909,568
Effects of exchange rate changes on cash and cash equivalents		(3,697)	-
Cash and cash equivalents at the end of the financial year	7	<u>26,795,785</u>	<u>7,100,202</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 1. Significant accounting policies

This note provides a list of all significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied in this reporting period, unless otherwise stated. The financial statements are for Noxopharm Limited ("the Company") and its subsidiaries ("the consolidated entity").

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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Accounting Standard	Mandatory date for annual reporting periods on or after	Reporting period standard adopted by the consolidated entity
The revised Conceptual Framework for Financial Reporting	01/01/2020	01/07/2020
AASB 2018-6 Amendments to Australian Accounting Standards – the definition of a business	01/01/2020	01/07/2020
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	01/01/2020	01/07/2020
AASB 2020-6 Amendments to Australian Accounting Standards – Classification of liabilities as Current or Non-Current - Deferral of Effective Date	01/01/2022	01/07/2023

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Noxopharm Limited is a for-profit entity for the purpose of preparing the financial statements. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

These financial statements have been prepared under the historical cost convention, with the exception of the fair valuation of embedded derivatives on convertible notes and the fair valuation of the investment in Nyrada.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The consolidated entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 25.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Noxopharm Limited ('company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Noxopharm Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Note 1. Significant accounting policies (continued)

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Noxopharm Limited's functional and presentation currency. The entity's subsidiary, Noxopharm Asia Limited, uses Hong Kong dollars as its functional currency and all other subsidiaries use Australian dollars as their functional currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Other Income recognition

Other income is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Other income is measured at the fair value of the consideration received or receivable.

Interest

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

Government research and development tax incentives

Government grants, including research and development incentives are recognised at fair value when there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to research and development expenditure are recognised as income over the periods necessary to match the grant costs they are compensating. The incentive is recognised as income as it is not tied to offsetting assessable income in tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 1. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

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

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Leases

A 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs).

Research and development costs

Research costs are expensed as incurred.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable.

The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The directors consider that the adoption of these new standards and interpretations will not materially impact these financial statements.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Research and Development Rebate

With the successful track record of the consolidated entity in obtaining the Research and Development rebate from the ATO, the estimated 2021 rebate for \$5.5m has been accrued into income for the year ended 30 June 2021 (2020: \$4.5m).

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Non-recognition of carried forward tax losses

The balance of future income tax benefit arising from timing differences and carried-forward losses have not been recognised as an asset because recovery is not regarded as probable. The cumulative future income tax benefit which has not been recognised as an asset will only be obtained if:

- i) The Group derives future assessable income of a nature and amount sufficient to enable the benefit to be realised,
- ii) The Group continues to comply with the conditions for the deductibility imposed by law, and
- iii) No changes in tax legislation adversely affecting the Group realising the benefit.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

The consolidated entity's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The valuation techniques used for instruments categorised in levels 1 and 3 are described below:

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Valuation of investment in Nyrada Inc.

On 29 June Nyrada Inc. completed a capital raise diluting the ownership percentage of the consolidated entity to under 20% on an in the money, diluted basis. As a result the consolidated entity lost significant influence over Nyrada, resulting in the investment being reclassified from the equity method to fair value through profit and loss method. The resulting fair value calculation of the investment resulted in a gain of \$8,774,212.

Nyrada ordinary shares (level 1): The 33,373,245 Nyrada ordinary shares held by the consolidated entity were valued at fair value, using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market. The price used for valuing these ordinary shares was the ASX price of 32 cents.

Nyrada performance shares (level 3): The 12,000,600 Nyrada performance shares were externally valued considering Level 3 hierarchy fair value inputs such as - the spot price of 32 cents, a risk free interest rate of 0.1952% (based on Australian government bond rate as a proxy), a historical volatility factor of 83.53% and the Monte Carlo approach for estimating the probability of the market based vesting conditions being achieved. The milestones to be achieved for each tranche is as follows:

Tranche 1:

- i) The trading price for Nyrada CDIs on ASX achieving at least \$0.40 for 5 consecutive trading days; and
- ii) The Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead neuroprotectant drug candidate is ready to proceed to pre-clinical safety and toxicology studies ("non-CDI price-based milestone").

Tranche 2:

- i) The trading price for Nyrada CDIs on ASX achieving at least \$0.40 for 5 consecutive trading days; and
- ii) The Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead peripheral neuropathic pain drug candidate is ready to proceed to pre-clinical safety and toxicology studies ("non-CDI price-based milestone").

Note 3. Operating segments

The consolidated entity continues to operate in one segment, being the clinical development in the field of both oncology and non-oncology in the pan-pacific region. The segment details are therefore fully reflected in the body of the annual report.

Note 4. Other income

	Consolidated	
	2021	2020
	\$	\$
Interest income	139,472	11,307
Federal Government Co-vid assistance	50,000	50,000
R&D tax incentives/Government Grants	5,592,251	8,282,255
Research Service Fees	16,000	-
	<u>5,797,723</u>	<u>8,343,562</u>
Other income		

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 5. Expenses

	Consolidated	
	2021	2020
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Corporate Administration expenses</i>		
Corporate administration expenses	404,205	758,163
Audit, accounting and company secretarial fees	253,802	346,526
Travel and entertainment expenses	-	179,876
Insurances	545,636	561,941
Legal fees	218,810	473,208
ASX and filing fees	171,314	254,718
Consulting fees	-	183,160
IPO and placement costs	-	502,787
Marketing and advertising	128,859	123,949
	<u>1,722,626</u>	<u>3,384,328</u>
<i>Consulting, Employee and Director Expenses</i>		
Consulting expenses	389,993	1,091,162
Employee related expenses	3,122,666	3,332,270
Superannuation and other employee related expenses	258,740	460,599
Director expenses (excluding executive directors)	161,250	212,260
Share-based payment expense - Noxopharm Limited	1,742,043	51,988
Share-based payment expense - Nyrada Inc	-	259,614
	<u>5,674,692</u>	<u>5,407,893</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable	2,186,221	3,466,847
Fair value movement in derivative liability	477,524	-
	<u>2,663,745</u>	<u>3,466,847</u>

Note 6. Income tax

	Consolidated	
	2021	2020
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	<u>(9,346,749)</u>	<u>(999,573)</u>
Tax at the statutory tax rate of 26% (2020: 27.5%)	(2,430,155)	(274,883)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
R&D tax incentives	1,452,675	2,499,677
Other expenses not deductible	(107)	(2,535)
Deferred tax (liability)/asset relating to tax losses not recognised	2,081,643	(2,169,447)
Net movement in temporary differences not recognised	<u>(1,104,056)</u>	<u>(52,812)</u>
Income tax expense	<u>-</u>	<u>-</u>

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 6. Income tax (continued)

Accounting policy for income tax

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

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

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 7. Current assets - cash and cash equivalents

	Consolidated	
	2021	2020
	\$	\$
Cash at bank and in hand	16,753,142	7,034,958
Term Deposit at call	10,000,000	-
Bank debit cards	42,643	65,244
	<u>26,795,785</u>	<u>7,100,202</u>

Accounting policy for cash and cash equivalents

Cash and short-term deposits includes cash at bank (including debit cards) and in hand and short-term deposits with an original maturity of three months or less, or redeemable at any time.

For the purposes of the Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Note 8. Current assets - trade and other receivables

	Consolidated	
	2021	2020
	\$	\$
Accounts receivable	4,400	8,776
GST receivable	277,816	137,873
R&D rebate receivable	5,500,000	4,500,000
Interest receivable	17,008	-
	<u>5,794,824</u>	<u>4,637,873</u>
	<u>5,799,224</u>	<u>4,646,649</u>

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 8. Current assets - trade and other receivables (continued)

Accounting policy for trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment, once they become over due by more than 60 days. A separate account records the impairment.

An allowance for a doubtful debt is made when there is objective evidence that the consolidated entity will not be able to collect the debts. The criteria used to determine that there is objective evidence that an impairment loss has occurred include whether the Financial Asset is past due and whether there is any other information regarding increased credit risk associated with the Financial Asset. Bad debts which are known to be uncollectible are written off when identified.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 9. Current assets - other assets

	Consolidated	
	2021	2020
	\$	\$
Prepayments	67,517	63,312
Inventories	<u>311,510</u>	<u>519,230</u>
	<u><u>379,027</u></u>	<u><u>582,542</u></u>

The inventories are mainly materials that are used in the research and development process. These materials are recognised as an expense as and when they are utilised in the research and development process.

Note 10. Non-current assets - receivables

	Consolidated	
	2021	2020
	\$	\$
Loan to Nyrada Inc.	<u>-</u>	<u>225,232</u>

The loan to Nyrada Inc. was settled in cash on 29 March 2021.

Note 11. Non-current assets - investments accounted for using the equity method

	Consolidated	
	2021	2020
	\$	\$
Investment in Associate	<u>-</u>	<u>6,539,080</u>

Reconciliation

Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

Opening carrying amount	6,539,080	7,634,697
Share of loss after income tax [^]	(1,040,874)	(1,095,617)
Reclassification to financial assets at fair value through profit and loss	<u>(5,498,206)</u>	<u>-</u>
Closing carrying amount	<u><u>-</u></u>	<u><u>6,539,080</u></u>

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 11. Non-current assets - investments accounted for using the equity method (continued)

Nyrada Inc. completed a capital raise on 29 June 2021, diluting the percentage of ownership of Noxopharm. As a result the consolidated entity is deemed to have lost significant influence and is no longer treating this as an investment in associate but as an investment at fair value. See note 12 for further information.

^The share of loss after income tax is the consolidated entity's share of the Nyrada Inc. loss for each period based on the number of shares held by the consolidated entity divided by the Nyrada average shares on issue. Further information on the Nyrada losses can be found in the published results of Nyrada Inc.

Note 12. Non-current assets - financial assets at fair value through profit and loss

	Consolidated	
	2021	2020
	\$	\$
Investment in Nyrada Inc.- ordinary shares	10,679,439	-
Investment in Nyrada Inc.- performance shares	3,592,980	-
	<u>14,272,419</u>	<u>-</u>

Refer to note 20 for further information on fair value measurement.

On 29 June Nyrada Inc. completed a capital raise diluting the ownership percentage of the consolidated entity below 20%. As a result the consolidated entity lost significant influence over Nyrada, resulting in the investment being reclassified from the equity method to fair value method of accounting. The resulting reclassification of the investment resulted in a gain of \$8,774,212, and an increase in non-current assets of \$8,774,212.

The investment in Nyrada Inc. is the fair value of the 33,373,245 Nyrada shares received upon Nyrada's listing on the ASX, and the fair value of the 12,000,600 performance shares received.

Refer to note 2 Critical accounting judgements, estimates and assumptions - valuation of investment in Nyrada for further information in relation to the valuation of the respective Nyrada shares.

Note 13. Non-current assets - right-of-use assets

	Consolidated	
	2021	2020
	\$	\$
Land and buildings - right-of-use	<u>349,308</u>	<u>658,110</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$
Balance at 1 July 2019	-
Additions	733,784
Depreciation expense	<u>(75,674)</u>
Balance at 30 June 2020	658,110
Depreciation expense	<u>(308,802)</u>
Balance at 30 June 2021	<u>349,308</u>

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 14. Current liabilities - borrowings

	Consolidated	
	2021	2020
	\$	\$
Convertible loan payable	-	4,342,000
Lease liability - building	231,666	244,820
	<u>231,666</u>	<u>4,586,820</u>

Refer to note 19 for further information on financial instruments.

The convertible loan payable was settled on 31 May 2020 through the issue of 9,250,867 Noxopharm shares to the three convertible note holders at an issue price of \$0.513 as full consideration of the loan balance.

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 15. Non-current liabilities - borrowings

	Consolidated	
	2021	2020
	\$	\$
Lease liability - building	117,642	413,290
	<u>117,642</u>	<u>413,290</u>

Refer to note 19 for further information on financial instruments.

Note 16. Equity - issued capital

	Consolidated			
	2021	2020	2021	2020
	Shares	Shares	\$	\$
Ordinary shares - fully paid	288,221,727	213,200,580	72,622,560	41,631,007
	<u>288,221,727</u>	<u>213,200,580</u>	<u>72,622,560</u>	<u>41,631,007</u>

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 16. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	\$
Balance	1 July 2020	213,200,580	41,631,007
Conversion of collateral shares	22 July 2020	-	267,638
Issue of underwriter options	14 August 2020	-	(5,111,573)
Exercise of options	14 August 2020	40,000	12,000
Exercise of options	9 October 2020	976	293
Exercise of options	26 October 2020	784	235
Exercise of options	18 November 2020	650,000	339,086
Exercise of options	1 December 2020	5,571	1,694
Share Placement	10 December 2020	42,592,592	22,926,647
Share placement cost	10 December 2020	-	(1,455,000)
Exercise of options	15 December 2020	333	100
Exercise of options	22 January 2021	1,789,612	536,884
Exercise of options	3 February 2021	2,623,265	786,980
Exercise of options	5 February 2021	1,917,073	726,597
Exercise of options	15 February 2021	729,705	218,912
Exercise of options	19 February 2021	2,942,061	1,178,179
Exercise of options	26 February 2021	8,267,133	2,480,140
Exercise of options	4 March 2021	4,112,664	1,233,799
Exercise of options	14 April 2021	4,215	1,265
Exercise of options	30 April 2021	2,963	889
Exercise of options	7 May 2021	1,333	400
Conversion of short term loan convertible note	31 May 2021	9,250,867	6,819,388
Exercise of options	21 June 2021	90,000	27,000
Balance	30 June 2021	<u>288,221,727</u>	<u>72,622,560</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 16. Equity - issued capital (continued)

Accounting policy for issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 17. Equity - reserves

	Consolidated	
	2021	2020
	\$	\$
Options reserve	<u>8,487,119</u>	<u>2,708,106</u>

Option reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Note 18. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 19. Financial instruments

Financial risk management objectives

The Board is responsible for overseeing the establishment and implementation of the risk management system, and reviews and assesses the effectiveness of the consolidated entity's implementation of that system on a regular basis.

The consolidated entity's activities cause no material exposure to market risk (including currency risk and interest rate risk) and credit risk. The only material exposure is liquidity risk and price risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed.

The consolidated entity's financial instruments consist of cash and cash equivalents, trade and other receivables, and trade and other payables.

	Consolidated	
	2021	2020
	\$	\$
Cash and cash equivalents	7,672,948	7,100,202
Term Deposits at call	19,122,837	122,837
Trade and other payables	(6,130,170)	(1,786,852)
Short term loan	-	(4,342,000)
Lease liabilities	(231,666)	(658,110)
Investment in Nyrada ordinary shares	10,679,438	-
Investment in Nyrada performance shares	3,592,980	-
	<u>34,706,367</u>	<u>436,077</u>

Price risk

The consolidated entity is exposed to price risk through its investment in Nyrada Inc. A change in commodity prices (market risk) could impact the value of the investment held by the consolidated entity in Nyrada Inc.

Note 19. Financial instruments (continued)

Management of the consolidated entity manages this risk by monitoring the performance of Nyrada and its underlying share price. As this is considered a long term investment and this other price risk due to market movements is out of the control of the consolidated entity, there is no direct strategy to mitigate this risk other than to carefully monitor the underlying share price.

The below table shows a sensitivity analysis on the value of the investment in Nyrada ordinary shares if the Nyrada share price fluctuates by +/-20%.

The table below also shows an estimated sensitivity analysis for both tranches of Nyrada performance shares if the value fluctuates by +/- 20%. Note this is an estimated impact and does not consider movements in the probabilities of meeting the market conditions used in the Monte Carlo simulation to arrive at the valuation of these performance shares.

Consolidated - 2021	% change	Average price increase		Average price decrease		
		Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Nyrada Inc. ordinary shares	20%	2,135,888	2,135,888	(20%)	(1,779,906)	(1,779,906)
Nyrada Inc. performance shares -Tranche 1	20%	359,298	359,298	(20%)	(299,415)	(299,415)
Nyrada Inc. performance shares -Tranche 2	20%	359,298	359,298	(20%)	(299,415)	(299,415)
		<u>2,854,484</u>	<u>2,854,484</u>		<u>(2,378,736)</u>	<u>(2,378,736)</u>

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Company is exposed to liquidity risk via its trade and other payables.

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet the commitments associated with its financial instruments. Responsibility for liquidity risk rests with the Board who manage liquidity risk by monitoring undiscounted cash flow forecasts and actual cash flows provided to them by the Company's Management at Board meetings to ensure that the Company continues to be able to meet its debts as and when they fall due. Contracts are not entered into unless the Board believes that there is sufficient cash flow to fund the additional activity.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2021	Weighted average interest rate %	Remaining contractual maturities				Remaining contractual maturities \$
		1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	959,493	-	-	-	959,493
Other payables	-	5,170,677	-	-	-	5,170,677
Lease liability	-	231,166	117,642	-	-	348,808
Total non-derivatives		<u>6,361,336</u>	<u>117,642</u>	<u>-</u>	<u>-</u>	<u>6,478,978</u>

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 19. Financial instruments (continued)

Consolidated - 2020	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	1,786,852	-	-	-	1,786,852
Lease liability	-	244,820	413,290	-	-	658,110
Total non-derivatives		<u>2,031,672</u>	<u>413,290</u>	<u>-</u>	<u>-</u>	<u>2,444,962</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

The fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximate to their carrying amounts largely due to being liquid assets or liabilities that will be settled within 12 months.

Note 20. Fair value measurement

Fair value hierarchy

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

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

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

Level 3: Unobservable inputs for the asset or liability

Consolidated - 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Nyrada Inc. ordinary shares	10,679,438	-	-	10,679,438
Nyrada Inc. performance shares	-	-	3,592,980	3,592,980
Total assets	<u>10,679,438</u>	<u>-</u>	<u>3,592,980</u>	<u>14,272,418</u>

There were no transfers between levels during the financial year.

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Note 20. Fair value measurement (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The valuation techniques used for instruments categorised in levels 1 and 3 are described below:

Nyrada ordinary shares (level 1): The 33,373,245 Nyrada ordinary shares held by the consolidated entity were valued at fair value, using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market. The price used for valuing these ordinary shares was the ASX price of 32 cents.

Nyrada performance shares (level 3): The 12,000,600 Nyrada performance shares were externally valued considering Level 3 hierarchy fair value inputs such as - the spot price of 32 cents, a risk free interest rate of 0.1952% (based on Australian government bond rate as a proxy), a historical volatility factor of 83.53% and the Monte Carlo approach for estimating the probability of the market based vesting conditions being achieved.

The table below shows the unobservable inputs used in measuring the level 3 fair value of financial instruments in the statement of financial position and the estimated impact of changes to these inputs.

Financial instruments with level 3 valuation techniques	Significant unobservable inputs	Estimated impact on fair value measurement
Nyrada performance shares - tranche 1	Volatility of returns of Nyrada CDI's	A +20% increase in the volatility will increase the value of the asset by \$42,683 and profit by \$42,683. A -20% decrease in the volatility will decrease the value of the asset by (\$53,172) and profit (\$53,172).
Nyrada performance shares - tranche 1	Risk free interest rate	A +/-20% movement in the risk free interest rate used in the valuation will have no material impact of on the fair value of the asset or profit
Nyrada performance shares - tranche 2	Volatility of returns of Nyrada CDI's	A +20% increase in the volatility will increase the value of the asset by \$42,683 and profit by \$42,683. A -20% decrease in the volatility will decrease the value of the asset by (\$53,172) and profit by (\$53,172).
Nyrada performance shares - tranche 2	Risk free interest rate	A +/-20% movement in the risk free interest rate used in the valuation will have no material impact of on the fair value of the asset or profit

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 21. Key management personnel disclosures

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Mr. Fred Bart - Non Executive Chairman
 Dr. Graham Kelly - Chief Executive Officer and Managing Director
 Mr. Peter Marks - Non Executive Director and Deputy Chairman
 Mr. Boris Patkin - Non Executive Director
 Dr. Ian Dixon - Non Executive Director (resigned 31 August 2021)
 Mr. David Franks - Company Secretary

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2021	2020
	\$	\$
Short-term employee benefits	479,495	636,790
Post-employment benefits	34,881	47,612
Long-term benefits	341	17,621
Share-based payments	1,418,819	8,475
	<u>1,933,536</u>	<u>710,498</u>

Other Transactions with Key Management Personnel

Company secretarial and bookkeeping services - provided by the Automic Group, an entity associated with Mr. David Franks, on commercial terms and conditions.

Note 22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck Audit (Vic) Pty Ltd, the auditor of the company:

	Consolidated	
	2021	2020
	\$	\$
<i>Audit services - William Buck Audit (Vic) Pty Ltd</i>		
Audit or review of the financial statements	<u>66,450</u>	<u>76,572</u>

Note 23. Contingent liabilities

The consolidated entity has given bank guarantees as at 30 June 2021 of \$118,818 (2020: \$118,818) to its landlords.

Note 24. Related party transactions

Parent entity

Noxopharm Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 26.

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 24. Related party transactions (continued)

Key management personnel

Disclosures relating to key management personnel are set out in note 21 and the remuneration report included in the directors' report.

Transactions with related parties

Company secretarial and share registry services - provided by Automic Group, an entity associated with Mr. David Franks, on commercial terms and conditions. Total fees (excluding GST) paid to Automic Group Pty Limited for the year ended 30 June 2021 was \$308,236 (2020: \$312,569). Automic is the share registry of Noxopharm Limited. All services provided by Automic Group during the year ended 30 June 2021 and to the date of this report were on commercial terms.

Prue Kelly, spouse of Graham Kelly (Chief Executive Officer and Managing Director) is employed as the Company's Investor Relation Manager/Executive Assistant on the Company's employment terms and condition. Total salary inclusive of superannuation paid to Prue Kelly for the year ended 30 June 2021 was \$131,856 (2020: \$134,890). The total value of unlisted options granted to Prue Kelly for the year ended 30 June 2021 was \$20,613 (2020: \$10,594).

An associated entity of Fred Bart, Bart Superannuation Pty Limited atf 4f Investments Super Fund was issued 3,080,189 shares as consideration for the settlement of his portion of the short term loan convertible note on maturity.

Receivable from and payable to related parties

There were no trade receivables from related parties at the current and previous reporting date. There were trade payables to the Automic Group of \$8,324 as at 30 June 2021 (2020: \$60,256).

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 25. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2021	2020
	\$	\$
Loss after income tax	(9,219,721)	(4,301,730)
Total comprehensive income	(9,219,721)	(4,301,730)

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 25. Parent entity information (continued)

Statement of financial position

	Parent	
	2021	2020
	\$	\$
Total current assets	32,974,035	12,327,841
Total assets	47,978,773	21,673,059
Total current liabilities	6,807,195	6,685,639
Total liabilities	7,077,336	7,194,392
Equity		
Issued capital	72,622,560	41,631,007
Options reserve	8,487,119	2,708,106
Accumulated losses	(40,208,242)	(29,860,446)
Total equity	<u>40,901,437</u>	<u>14,478,667</u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021.

Contingent liabilities

Except as outlined in note 23, the parent entity had no contingent liabilities as at 30 June 2021 and 2020.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments at 30 June 2021 and 2020.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 26. Interests in subsidiaries and associates

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2021	2020
		%	%
Noxopharm Asia Limited ^^	Hong Kong	-	100.00%
Norbio Holding Pty Ltd	Australia	100.00%	100.00%
Nyrada Inc. ^	USA	-	21.39%
Nyrada Pty Ltd (formerly Norbio No 1 Pty Ltd) ^	Australia	-	21.39%
Norbio No 2 Pty Ltd ^	Australia	-	21.39%
Cardio Therapeutics Pty Ltd ^	Australia	-	21.39%
Pharmorage Pty Limited	Australia	100.00%	100.00%

^ From 29 June 2021, Nyrada Inc. and its subsidiaries are no longer treated as Associates of the consolidated entity, and were reclassified to an investment at fair value. The consolidated entity's share of Nyrada Inc. losses for the year to 29 June 2021 under the Equity Method were (\$1,040,874), (2020: (\$1,095,617)).

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 26. Interests in subsidiaries and associates (continued)

^^ Noxopharm Asia Limited was deregistered on 1 April 2021 as Gazetted by the Hong Kong companies registry and no longer forms part of the consolidated group.

Note 27. Matters subsequent to the end of the financial year

Except as noted above, no matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 28. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2021	2020
	\$	\$
Loss after income tax expense for the year	(9,346,749)	(999,573)
Adjustments for:		
Depreciation and amortisation	261,723	241,445
Share of loss - associates	1,040,874	1,095,617
Share-based payments	1,723,797	311,602
Foreign exchange differences	3,697	-
Gain on deconsolidation of Nyrada	-	(11,585,717)
Gain on reclassification of Nyrada investment to fair value	(8,774,212)	-
Fair value movement of derivative liability	477,524	-
Non-cash finance costs	2,178,222	3,429,305
Accrued interest	(17,008)	(4,019)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(1,139,774)	(4,722,649)
Decrease in inventory	207,720	177,170
Increase in trade and other payables	4,343,318	767,481
Increase in employee entitlements	190,427	151,380
Net cash used in operating activities	<u>(8,850,441)</u>	<u>(11,137,958)</u>

Note 29. Earnings per share

	Consolidated	
	2021	2020
	\$	\$
Loss after income tax	(9,346,749)	(999,573)
Non-controlling interest	-	727,480
Loss after income tax attributable to the owners of Noxopharm Limited	<u>(9,346,749)</u>	<u>(272,093)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>263,850,689</u>	<u>138,357,822</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>263,850,689</u>	<u>138,357,822</u>

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 29. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	(3.54)	(0.20)
Diluted earnings per share	(3.54)	(0.20)

The 56,546,540 (2020: 51,119,409) options issued could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the periods presented.

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Noxopharm Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 30. Share-based payments

During the year, the Company has granted the following share-based payments:

2021

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
03/12/2019	03/12/2023	\$0.3055	2,666,666	-	(2,666,666)	-	-
14/08/2020	14/08/2023	\$0.3000	-	25,304,819	(115)	-	25,304,704
06/11/2020	06/11/2024	\$0.5500	-	1,050,000	-	-	1,050,000
15/12/2020	15/12/2022	\$0.3150	-	1,000,000	-	-	1,000,000
15/12/2020	15/12/2022	\$0.3150	-	1,000,000	-	-	1,000,000
15/12/2020	15/12/2022	\$0.3150	-	1,000,000	-	-	1,000,000
31/05/2021	15/12/2024	\$0.6810	-	125,000	-	-	125,000
31/05/2021	15/12/2024	\$0.6810	-	125,000	-	-	125,000
			2,666,666	29,604,819	(2,666,781)	-	29,604,704

* The exercise price of the options granted to Boris Patkin is calculated based on the volume weighted average price ("VWAP") of Noxopharm shares for the last 14 trading days prior to 15 December 2020 plus 20%, equalling \$0.681.

Noxopharm Limited
Notes to the financial statements
30 June 2021

Note 30. Share-based payments (continued)

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2021 Number	2020 Number
28/11/2017	27/11/2020	-	1,000,000
08/12/2017	30/11/2021	319,213	257,564
10/12/2018	21/11/2022	521,110	288,680
23/07/2019	23/07/2023	4,777,222	4,777,222
03/12/2019	03/12/2023	-	2,666,666
18/06/2020	18/06/2023	20,037,101	20,304,792
14/08/2020	14/08/2023	25,304,704	-
15/12/2020	15/12/2022	1,000,000	-
15/12/2020	15/12/2022	1,000,000	-
15/12/2020	15/12/2022	1,000,000	-
		<u>53,959,350</u>	<u>29,294,924</u>

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.04 years.

For the options granted during the financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expected exercise date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
14/08/2020	14/08/2020	\$0.3250	\$0.3000	98.29%	-	0.12%	\$0.202
14/11/2020	06/11/2021	\$0.5000	\$0.5500	98.29%	-	0.12%	\$0.329
17/11/2020	15/12/2020	\$0.6750	\$0.3150	100.00%	-	0.10%	\$0.467
17/11/2020	15/12/2020	\$0.6750	\$0.3150	100.00%	-	0.10%	\$0.464
17/11/2020	15/12/2020	\$0.6750	\$0.3150	100.00%	-	0.10%	\$0.464
31/05/2021	15/12/2021	\$0.7350	\$0.6810	85.00%	-	0.10%	\$0.314
31/05/2021	15/12/2022	\$0.7350	\$0.6810	85.00%	-	0.10%	\$0.313

Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 30. Share-based payments (continued)

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Noxopharm Limited
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; 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.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Dr Graham Kelly
Director

26 August 2021

Noxopharm Limited

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Noxopharm Limited (the Company) and its controlled entities (together, the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

ACCOUNTANTS & ADVISORS

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SHARE BASED PAYMENTS	
Area of focus	How our audit addressed it
<p>During the year the Group issued options to both staff and Directors.</p> <p>These options included both market and non-market vesting criteria, including:</p> <ul style="list-style-type: none"> - Service (employment) conditions; and - Market-based conditions, tied to achieving share price milestones. <p>The valuation of such options requires significant judgement and expertise, particularly in determining the likelihood of achieving the market-based conditions.</p> <p>The Group engaged an independent specialist to appraise the fair value of its share-based payment arrangements.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - Agreeing the material terms and conditions of each share-based payment arrangement to plan documentation; - Examining the share-based payment arrangements to determine the appropriateness of identifying each share-based payment arrangement, including checking the grant date; - Vouching the calculation of share-based payment arrangements with market conditions to reports furnished to the Group by independent specialists; - Examining the appropriateness of the amortisation model for accreting share-based payment expense to the profit or loss over the vesting period; and - Reviewing the appropriateness of the disclosure impact of the share-based payment arrangements, particularly for their impact in the Remuneration Report for plan recipients which form part of key management personnel.
INVESTMENT IN NYRADA INC.	
Area of focus	How our audit addressed it
<p>During the prior year Nyrada Inc. (Nyrada), a previous subsidiary of the Company completed its listing on the ASX and deconsolidated from the Group. At 30 June 2020, Noxopharm held a significant influence in Nyrada, with a holding of 33,373,245 shares, which was above the 20% threshold required for determining significant influence and accounting for the investment in Nyrada using the equity method of accounting.</p> <p>As at 29 June 2021 Nyrada conducted a significant capital raise, which, together with equity instruments issued by Nyrada that were vested and in-the-money, meant that the Group's diluted shareholding in Nyrada fell below 20% at that date.</p>	<p>Our audit procedures included the following;</p> <ul style="list-style-type: none"> - Recalculating the diluted percentage shareholding on Noxopharm in Nyrada as at 29 June 2021 to appraise management's assessment that a change in accounting treatment for the investment was appropriate; - Recalculating the percentage of the Nyrada loss for the period ended 29 June 2021, as recognised under the equity method of accounting; - Recalculating the fair value gain taken to the profit or loss on the change of accounting treatment;

<p>The change in this method of accounting created a gain recognised in the profit or loss of \$8,774,212.</p> <p>Consequently, the Group discontinued accounting for the investment using the equity method from 29 June 2021 and started to account for the investment at fair value. The investment includes two instruments, being:</p> <ul style="list-style-type: none"> - Ordinary shares, that are carried at fair value based on their quoted value on the Australian Securities Exchange (ASX); and - Performance shares, that are carried at fair value based on a Monte Carlo simulation method. <p>The directors employed an independent specialist to appraise the fair valuation of the performance shares at balance date.</p>	<ul style="list-style-type: none"> - Employing the services of our Corporate Advisory division to appraise the bona fides of the independent specialist employed by management to fair value the performance rights, including examining key inputs into the fair valuation; and; - Agreeing the results of the movement in investment from the loss to the investment value reported on the statement of financial position. <p>We have also assessed the adequacy of disclosures in relation to the investment in the notes to the financial report.</p>
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Other Information

The directors are responsible for the other information. The other information comprises the information in the Group’s annual report for the year ended 30 June 2021 but does not include the financial report and the auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

This description forms part of our independent auditor's report.

Report on the Remuneration Report

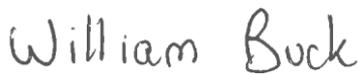
Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Noxopharm Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink that reads "William Buck".

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

A handwritten signature in black ink that appears to read "N.S. Benbow".

N.S. Benbow

Director

Melbourne, 26 August 2021

Noxopharm Limited
Shareholder information
30 June 2021

The shareholder information set out below was applicable as at 13 August 2021

NOX ordinary shares

	Number of holders	% by number of holders	Total number of shares	% by number of shares issued
1 to 1,000	465	10.78%	284,754	0.10%
1,001 to 5,000	1,231	28.54%	3,450,695	1.20%
5,001 to 10,000	732	16.97%	5,847,338	2.03%
10,001 to 100,000	1,527	35.40%	52,558,728	18.24%
100,001 and above	359	8.32%	226,086,879	78.44%
	<u>4,314</u>		<u>288,228,394</u>	

NOXO - (listed options at \$0.30, expiry 18 June 2023)

	Number of holders	% by number of holders	Total number of options	% by number of options issued
1 to 1,000	254	28.44%	110,696	0.55%
1,001 to 5,000	316	35.39%	750,603	3.75%
5,001 to 10,000	114	12.77%	811,969	4.05%
10,001 to 100,000	175	19.60%	5,647,664	28.20%
100,001 and above	34	3.81%	12,709,502	63.45%
	<u>893</u>		<u>20,030,434</u>	

NOXOA - (listed options at \$0.315 expiry 14 Aug 2023)

	Number of holders	% by number of holders	Total number of options	% by number of options issued
1 to 1,000	3	2.31%	1,606	0.01%
1,001 to 5,000	15	11.54%	37,757	0.15%
5,001 to 10,000	11	8.46%	78,009	0.31%
10,001 to 100,000	59	45.38%	2,492,137	9.85%
101,000 and above	42	32.31%	22,695,195	89.69%
	<u>130</u>		<u>25,304,704</u>	

Unlisted options exercise price of \$1.08, expiry 27 Nov 2020.
Vest 1.12.2018

	Number of holders	% by number of holders	Total number of options	% by number of options issued
10,001 to 100,000	<u>7</u>	100.00%	<u>128,781</u>	<u>100</u>

Unlisted options exercise price of \$1.08, expiry 27 Nov 2020.
Vest 1.12.2019

	Number of holders	% by number of holders	Total number of options	% by number of options issued
10,001 to 100,000	<u>7</u>	100.00%	<u>128,781</u>	100.00%

Noxopharm Limited
Shareholder information
30 June 2021

Unlisted options exercise price of \$1.08, expiry 27 Nov 2020.
Vest 1.12.2020

	Number of holders	% by number of holders	Total number of options	% by number of options issued
10,001 to 100,000	<u>7</u>	100.00%	<u>128,781</u>	100.00%

Unlisted options exercise price of \$0.62, expiry 27 Nov 2022,
Vest 21.11.2019

	Number of holders	% by number of holders	Total number of options	% by number of options issued
10,001 to 100,000	<u>15</u>	100.00%	<u>288,681</u>	100.00%

Unlisted options exercise price of \$0.62, expiry 27 Nov 2022,
Vest 21.11.2020

	Number of holders	% by number of holders	Total number of options	% by number of options issued
10,001 to 100,000	<u>15</u>	100.00%	<u>288,681</u>	100.00%

Unlisted options exercise price of \$0.62, expiry 27 Nov 2022,
Vest 21.11.2021

	Number of holders	% by number of holders	Total number of options	% by number of options issued
10,001 to 100,000	<u>15</u>	100.00%	<u>288,680</u>	100.00%

Unlisted option exercise price of \$0.58, expiry 23 Jul 2023

	Number of holders	% by number of holders	Total number of options	% by number of options issued
100,001 and above	<u>2</u>	100.00%	<u>4,722,222</u>	100.00%

Unlisted options exercise price of \$0.32, expiry 23 Dec 2023

	Number of holders	% by number of holders	Total number of options	% by number of options issued
5,001 to 10,000	1	6.67%	7,212	0.78%
10,001 to 100,000	12	80.00%	667,708	71.79%
100,001 and above	<u>2</u>	13.33%	<u>255,208</u>	27.44%
	<u>15</u>		<u>930,128</u>	

Noxopharm Limited
Shareholder information
30 June 2021

Unlisted options exercise price of \$0.55, expiry 6 Nov 2024

	Number of holders	% by number of holders	Total number of options	% by number of options issued
10,001 to 100,000	10	71.43%	570,000	54.29%
100,001 and above	4	28.57%	480,000	45.71%
	<u>14</u>		<u>1,050,000</u>	

Unlisted options exercise price of \$0.315, expiry 15 Dec 2022

	Number of holders	% by number of holders	Total number of options	% by number of options issued
100,001 and above	<u>1</u>	100.00%	<u>3,000,000</u>	100.00%

Unlisted options exercise price of \$0.681, expiry 15 Dec 2024

	Number of holders	% by number of holders	Total number of options	% by number of options issued
100,001 and above	<u>1</u>	100.00%	<u>250,000</u>	100.00%

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares % of total shares issued
Number held	
MILLIGENE PTY LTD (THE GE + PR KELLY FAM TRUST)	27,649,106 9.59%
MRS ELEANORE GOODRIDGE	9,727,989 3.38%
MILLIGENE PTY LTD (THE GE + PR KELLY FAM TRUST)	8,000,000 2.78%
KALE CAPITAL CORPORATION LTD	7,205,290 2.50%
CITICORP NOMINEES PTY LIMITED	7,120,438 2.47%
RGT CAPITAL FUND NO 5 (NOXO) PTY LTD	6,500,333 2.26%
LINK TRADERS (AUST) PTY LTD	5,430,965 1.88%
LINK TRADERS (AUST) PTY LTD	5,041,224 1.75%
GRANDOR PTY LTD MARK SCOTT FAMILY P/F A/C	3,995,850 1.39%
RHLC PTY LIMITED RHLC S/F A/C	3,550,000 1.23%
NORA GOODRIDGE INVESTMENTS PTY LIMITED	3,090,489 1.07%
BART SUPERANNUATION PTY LIMITED 4F INVESTMENTS SUPERFUND A/C	3,080,189 1.07%
SUBURBAN HOLDINGS PTY LTD THE SUBURBAN SUPER FUND A/C	3,051,677 1.06%
JAMBER INVESTMENTS PTY LTD THE AMBER SCHWARZ SUPER FUND A/C	2,752,762 0.96%
BLACKCOURT (NSW) PTY LIMITED LAWSAM SUPER FUND A/C	2,596,276 0.90%
MR FREDERICK BART	2,538,462 0.88%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,514,109 0.87%
OGEN NOMINEES PTY LTD	2,300,000 0.80%
HALCYON NOMINEES PTY LTD HALCYON SUPER FUND A/C	2,000,000 0.69%
HELIUM MANAGEMENT PTY LTD HELIUM S/F A/C	1,931,246 0.67%
	<u>110,076,405 38.20%</u>

Noxopharm Limited
Shareholder information
30 June 2021

Listed Options - (NOXO)	Options over ordinary shares	
	Number held	% of total options issued
MILLIGENE PTY LTD (THE GE + PR KELLY FAM TRUST)	1,820,513	9.09%
LINK TRADERS (AUST) LTD	1,647,075	8.22%
MR FREDERICK BART	846,154	4.22%
JAMBER INVESTMENTS PTY LTD (THE AMBER SCHWARZ FAM A/C)	834,254	4.16%
BLACKCOURT (NSW) PTY LIMITED (LAWSAM SUPER FUND A/C)	754,691	3.77%
RGT CAPITAL FUND NO 5 (NOXO) PTY LTD	754,627	3.77%
COSMOS NOMINEES PTY LTD (THE PLASTICS CENTRE S/F A/C)	748,228	3.74%
SOLEVU PTY LTD (RT LIN SUPER FUND A/C)	360,266	1.80%
LINK TRADERS (AUST) PTY LTD	352,925	1.76%
LAWSAM PTY LTD	337,919	1.69%
HSBC CUSTODY NOMINESS (AUSTRALIA) LIMITED	337,400	1.68%
R & J KARANGIS HOLDINGS PTY LTD (KARANGIS SUPER FUND A/C)	300,000	1.50%
DECANTE PTY LTD (J M EHRlich SUPER FUND A/C)	276,585	1.38%
MS ALISON CLAIRE JAFFEE	274,410	1.37%
MR MATTHEW JAMES SACHR	268,351	1.34%
UBS NOMINEES PTY LIMITED	238,075	1.19%
MS JIN QIN WANG	200,016	1.00%
SUBURBAN HOLDINGS PTY LIMITED (SUBURBAN SUPER FUND A/C)	191,959	0.96%
BERNE NO 132 NOMINEES PTY LTD (331898 A/C)	184,490	0.92%
KING MANAGERS PTY LTD (KING SUPER NO 2 A/C)	173,449	0.87%
	10,901,387	54.42%

Listed Options - (NOXOA)	Options over ordinary shares	
	Number held	% of total options issued
CG NOMINEES (AUSTRALIA) PTY LTD	4,000,000	15.81%
CS THIRD NOMINEES PTY LIMITED (HSBC CUST NOM AU LTD 13 A/C)	3,961,455	15.66%
MS LISSA LORRAINE SACHR	1,405,000	5.55%
MRS ELEANORE GOODRIDGE	1,282,053	5.07%
JAMBER INVESTMENTS PTY LTD (AMBER SCHWARZ FAM ANZ ML A/C)	914,879	3.62%
LINK TRADERS (AUST) PTY LTD	914,879	3.62%
UBS NOMINEES PTY LTD	841,472	3.33%
MR MATTHEW JAMES SACHR	733,673	2.90%
LAWSAM PTY LTD	666,667	2.63%
SUNLORA PTY LTD (THE THREE FISH SUPER A/C)	609,953	2.41%
COSMOS NOMINESS PTY LTD (THE PLASTICS CENTRE S/F A/C)	604,166	2.39%
BLUE LAKE PARTNERS PTY LTD	448,718	1.77%
MR TONY PETER VUCIC & MSR DIANE VUCIC (VCIC FUTURE FUND A/C)	425,000	1.68%
MR STEPHEN EDWARD MAHNKEN & MRS DIOR LEONE MAHNKEN (THREE FSIH A/C)	400,000	1.58%
MANDATE 322 PTY LTD (DORSIA A/C)	384,615	1.52%
GINGA PTY LTD (T G KLINGER SUPER FD A/C)	356,355	1.41%
SOLEVU PTY LTD (RT LIN SUPER FUND A/C)	333,333	1.32%
DR JOSHUA EHRlich	315,938	1.25%
MR WILLIAM KIESANOWSKI & OUNG HUNTER TRUSTEES 2017 LTD (Knights Stream A/C)	292,300	1.16%
MS ALISON CLAIRE JAFFEE	256,412	1.01%
	19,146,868	75.67%

Noxopharm Limited
Shareholder information
30 June 2021

Unquoted equity securities

There are no unquoted equity securities.

Holders of more than 20% of unquoted equity security holders (excluding Employee Incentive Schemes)

	Number held	% of total securities
Unlisted Options (Exercise price \$0.58, expiry 23 July 2023)		
LIND GLOBAL MACRO FUND LP	2,361,111	50.00%
L1 CAPITAL	2,361,111	50.00%
Unlisted Options (Exercise price \$0.315, expiry 15 December 2022)		
FREDERICK BART	3,000,000	100.00%
Unlisted Options (Exercise price \$0.681, expiry 15 December 2024)		
BORIS PATKIN	250,000	100.00%

Substantial holders

Substantial holders in the company are set out below:

	Number held	Ordinary shares % of total shares issued
MILLIGENE PTY LTD (THE GE + PR KELLY FAM TRUST) AND OTHERS	36,162,294	12.55%
ELEANORE GOODRIDGE	15,185,849	5.27%

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options

All quoted and unquoted options do not carry any voting rights.

There are no other classes of equity securities.

ASX Listing Rule 3.13.1 and 14.3

The Company advises that the Annual General Meeting (AGM) of the Company is scheduled for Wednesday 17 November 2021 at 1.00pm (AEDT). The location of the AGM is subject to COVID-19 restrictions, including regulatory requirements. Further details, including any hybrid or virtual meeting arrangements, will be confirmed closer to the AGM.

Further to Listing Rule 3.13.1, Listing Rule 14.3, nominations for election of directors at the AGM must be received not less than 30 Business Days before the meeting, being no later than Wednesday 6 October 2021.

**Noxopharm Limited
Corporate Directory
30 June 2021**

Board of Directors	Fred Bart, Non-Executive Chairman Graham Kelly, Chief Executive Officer and Managing Director Peter Marks, Non-Executive Director and Deputy Chairman Boris Patkin, Non-Executive Director
Company Secretary	David Franks
Registered Office	Suite 3, Level 4 828 Pacific Hwy Gordon, NSW 2072
Principal Place of Business	Suite 3, Level 4 828 Pacific Hwy Gordon, NSW 2072
Website	www.noxopharm.com
Share Register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney, NSW 2000
Auditors	William Buck Audit (Vic) Pty Ltd Level 20, 181 William Street Melbourne, VIC 3000
Stock Exchange	Australian Securities Exchange 20 Bridge Street Sydney, NSW 2000
ASX Code	NOX