

Rules 4.3A

Appendix 4E

Preliminary final report

Name of entity

BARD1 Life Sciences Limited

ABN or equivalent company
reference

58 009 070 384

Year ended ('current period')

30 June 2020

12 months ended ('comparative
period')

30 June 2019

Results for announcement to the market

\$AUD

Revenues from ordinary activities	Up	187.5%	To	169,385
Loss from ordinary activities after tax attributable to members	Up	88.5%	To	(3,253,553)
Net loss for the period attributable to members	Up	88.4%	To	(3,260,440)
Dividends (distributions)	Amount per security		Franked amount per security	
Interim dividend	Nil		- ¢	
Final dividend	Nil		- ¢	
Previous corresponding period	Nil		- ¢	
+Record date for determining entitlements to the dividend, (in the case of a trust, distribution)	N/A			

The above results should be read in conjunction with the notes
and commentary contained in Annual Report lodged with this report

Other Information

Net tangible assets per security		\$0.0047	\$0.0057
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Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place	TBA Melbourne, Victoria
Date	On or before 30 November 2020
Time	TBA
Approximate date the +annual report will be sent to shareholders requesting it	On or before 30 October 2020

Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.
- 2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed.
- 4 This report is based on +accounts to which one of the following applies.
(Tick one)

<input checked="" type="checkbox"/>	The +accounts have been audited.	<input type="checkbox"/>	The +accounts have been subject to review.
<input type="checkbox"/>	The +accounts are in the process of being audited or subject to review	<input type="checkbox"/>	The +accounts have <i>not</i> yet been audited or reviewed.

Sign here:

Print name: Geoffrey Cumming
Chairman

Date 24 August 2020

ANNUAL REPORT

30 June 2020

CONTENTS

Corporate Directory	1
Directors' Report	2
Auditor's Independence Declaration	19
Statement of Comprehensive Income	20
Statement of Financial Position	21
Changes in Equity	22
Statement of Cash Flows	23
Notes to the Financial Statements	24
Directors' Declaration	45
Corporate Governance Overview	46
Shareholders Information	47
Independent Auditor's Report	49

CORPORATE DIRECTORY

Directors

Dr Geoffrey Cumming	Non-Executive Chairman <i>(appointed 28 July 2020)</i>
Mr Peter Gunzburg	Non-Executive Chairman <i>(resigned 28 July 2020)</i>
Dr Irmgard Irminger-Finger	Executive Director
Mr Robert (Max) Johnston	Non-Executive Director
Mr Philip Powell	Non-Executive Director
Prof. Allan Cripps	Non-Executive Director <i>(appointed 23 January 2020)</i>
Ms Helen Fisher	Non-Executive Director <i>(appointed 28 July 2020)</i>

Chief Executive Officer

Dr Leeanne Hinch

Chief Financial Officer

Mr Tony Di Pietro

Chief Operations Officer

Mr Carl Stubbings

Chief Scientific Officer

Dr Peter French

Company Secretaries

Mrs Pauline Collinson
Mr Tony Di Pietro *(appointed 28 July 2020)*

Registered Office and Postal Address

23 Normanby Road
Notting Hill Victoria 3168
Telephone: +61 3 95487586

Share Registry - Australia

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Perth Western Australia 6000
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Overseas: +61 3 91454000
Facsimile: +61 8 93232033

Auditors - Australia

Ernst & Young
11 Mounts Bay Road
Perth Western Australia 6000

Solicitors

Minter Ellison
Rialto Towers
525 Collins Street
Melbourne Victoria 3000

DLA Piper
Level 31, Central Park
152 St George's Terrace
Perth Western Australia 6000

ASX Code

BD1 - Fully Paid Ordinary Shares

CHAIRMAN AND CEO REPORT

We are pleased to present our Annual Report for the year ended 30 June 2020. This year has been pivotal with significant progress made towards our vision of being a leading Australian diagnostics company. BARD1 is an Australian-based medical diagnostics company with an innovative portfolio of diagnostic technologies and products. The Company is focused on the development and commercialisation of best-in-class lifesaving diagnostic solutions for health care professionals and patients.

During the year we advanced the optimisation phase of our BARD1 autoantibody assay on the Luminex™ platform, strengthened our patent portfolio, expanded our leadership team and progressed our acquisitive growth strategy, culminating in the acquisition of Sienna Cancer Diagnostics Ltd (Sienna) and our relocation to Melbourne in July 2020.

KEY ACHIEVEMENTS FOR FY2020	
Research & Development	<ul style="list-style-type: none"> Advanced optimisation phase with pilot v2 RUO BARD1 kits optimised, produced and delivered to Geneva for evaluation on the Luminex™ platform Entered into an agreement with Griffith University to provide consultancy and contract research services in support of the BARD1 autoantibody program Multiple new patents accepted/granted across 3 patent families in Australia, Europe, Hong Kong, Israel, Japan and Singapore, protecting the BARD1 technology and pipeline products
Corporate	<ul style="list-style-type: none"> Acquisition of Sienna Cancer Diagnostics which completed in July 2020 and strengthened the combined entity's leadership, business, pipeline and balance sheet Board appointments including prominent Australian scientist Professor Allan Cripps as Non-Executive Director, and post year end Dr Geoff Cumming as Chairman and Helen Fisher as Non-Executive Director Strengthened management team with the appointments of an experienced CSO, COO and CFO/Company Secretary to drive our commercialisation and growth strategies Capital raising of \$2.5m under Entitlement Offer in July 2019
Financial	<ul style="list-style-type: none"> Net loss of \$3.3m for the FY ended 30 June 2020 Cash balance of \$7.3m at 30 June 2020 Research & Development (R&D) Tax Refund of \$464k

PROGRESS ON OUR R&D PROGRAMS

Significant progress was made with Thermo Fisher Scientific (TFS) to transfer the BARD1 assay to the Luminex platform and build a Research Use Only (RUO) BARD1 kit. TFS completed the optimisation and production of the pilot version 2 (v2) RUO BARD1 kits, which were then shipped to our collaborator at the University of Geneva (UNIGE) to evaluate the reproducibility and accuracy of these kits. Verification of the accuracy of the RUO BARD1 kits at UNIGE will be an important milestone for the Company, as these kits will be used to further develop and optimise our BARD1 autoantibody tests for early detection of ovarian, breast and lung cancers.

The Company's patent portfolio was further strengthened with multiple new patents granted across 3 patent families protecting our BARD1 autoantibody tests in multiple jurisdictions. A research agreement was executed with Griffith University to provide consultancy and scientific services to support the development of the BARD1 autoantibody tests.

PROGRESS ON OUR CORPORATE INITIATIVES

The Company's FY20 growth strategy culminated in the acquisition, by a scheme of arrangement, of Sienna on 28 July 2020. Both companies strongly believe there is a need for industry consolidation to build market-leading, sustainable Australian-based medical technology businesses. The acquisition of Sienna and merger into BARD1 has created an Australian diagnostics company with a high-calibre Board, experienced leadership team and innovative cancer diagnostics portfolio.

On 28 July 2020, following the acquisition of Sienna, the Company appointed Dr Geoffrey Cumming as Non-Executive Chairman and Helen Fisher as a Non-Executive Director. As part of the Board changes, Mr Peter Gunzburg resigned from the Board on 28 July 2020. The Board and Management thank Mr Gunzburg for his leadership and for being the driving force behind the original acquisition of the BARD1 technology and intellectual property in 2016.

Additionally, Carl Stubbings became Chief Operations Officer (COO) and Tony Di Pietro Chief Financial Officer (CFO) and Company Secretary. These appointments expanded the Company's leadership team in line with our strategy to drive commercialisation and growth, achieve our objectives and build shareholder value.

This followed earlier Board and management changes with the appointment of Professor Allan Cripps as Non-Executive Director on 23 January 2020 and Dr Peter French as Chief Scientific Officer (commencing 17 August 2020). Dr Irmgard Irminger-Finger will transition to Executive Director and Founding Scientist focusing on advancing the important BARD1 autoantibody program developing tests for the early detection of ovarian, breast and lung cancers.

We are excited about the prospects for the merged entity as we seek to transform the Company, realise value from our innovative technologies, commercialise our diagnostics pipeline and grow revenues. The Company will continue to seek further growth through additional strategic acquisitions that are a strong fit with our strategy.

FINANCIAL RESULTS

The Group reported a net loss from operating activities for the year of \$3,253,553. Total income was \$637,624 including receipt of a Research and Development Tax Refund of \$464,101 for the 2019 financial year. Total operating expenditure was \$3,891,177. The loss per share of the Group for the full year ended 30 June 2020 was 0.24 cents per share.

The Group had a solid cash position of \$7,326,861 at 30 June 2020, which included the receipt of approximately \$2.5 million from capital raised in July 2019 (before expenses).

GLOBAL CANCER DIAGNOSTICS MARKET

The global cancer burden is significant with an estimated 43.8 million people living with cancer, 18.1 million new cases and 9.6 million deaths in 2018. The incidence of cancer is expected to rise to 29.4 million new cases by 2040 due to population aging and growth. In 2018, the most commonly diagnosed cancers worldwide were lung, breast, colorectal, prostate and stomach. Cancer is a leading cause of premature death with the highest burdens in China, Europe and North America. The cancer burden can be reduced by improved prevention, early detection, availability of cancer screening programs and effective treatment to improve patient outcomes and reduce mortality.




EXPANDED DIAGNOSTICS PORTFOLIO

Following the merger with Sienna, the combined technologies of the group include the BARD1 biomarker technology, hTERT biomarker technology, SIEN-NET™ biomarker capture platform and SubB2M pan-cancer probe creating a powerful growth engine with the potential to generate substantial product and licensing revenues.

hTERT	An immunocytochemistry (ICC) assay that detects hTERT, a component of telomerase, which is upregulated in most human epithelial cancers
BARD1	A biomarker platform covering various BARD1 tumour markers including nucleic acids, proteins and autoantibodies for cancer detection
SIEN-NET	A biomarker capture platform that uses patented Molecular NETs to capture and purify target molecules in a scalable, rapid and cost-effective manner, with the potential to revolutionise sample preparation in both research and commercial laboratories
SubB2M	A pan-cancer probe specific for a unique cancer-associated molecule on cancer cells and biomolecules that has a range of potential uses in liquid biopsy assays for several cancers and is complementary to other diagnostic technologies and biomarkers

The cancer diagnostics portfolio of marketed and development-stage products now includes the revenue-generating hTERT test as an adjunct to urine cytology in bladder cancer diagnosis, development-stage BARD1 autoantibody tests for early detection of ovarian, breast and lung cancers, and the research-stage EXO-NET exosome-based liquid biopsy pipeline and exciting new SubB2M diagnostic projects.

PRODUCT	INDICATION	PLATFORM	USE	RESEARCH	ASSAY DEVELOPMENT	CLINICAL VALIDATION	REVENUE
hTERT	Bladder Cancer	ICC (Urine)	Adjunct to diagnosis				
EXO-NET	Pancreatic Cancer	Molecular Net (Blood)	Exosome Capture				
BARD1-Ovarian	Ovarian Cancer	Luminex (Blood)	Screening (High-risk)				

BARD1-Breast	Breast Cancer	Luminex (Blood)	Screening (Ave-risk)				
BARD1-Lung	Lung Cancer	Luminex (Blood)	Screening (High-risk)				
SubB2M	Pan-cancer	ELISA (Blood)	Screening & Monitoring				

The Company intends to leverage our combined innovative technology platforms to develop world-leading new cancer diagnostic products for significant unmet needs in the screening, diagnosis, prognosis, treatment selection and monitoring of various cancers. Combining these platforms could be a 'game changer' in cancer diagnostics.

OUR GROWTH STRATEGIES

Completion of the Sienna acquisition has strengthened the Company's leadership and business, enabling it to integrate its operations, implement its growth strategy and advance its R&D programs to deliver value-generating development and commercial milestones. The Company's growth strategies are summarised below:

- 1. Increase hTERT revenues globally:** The Company is implementing programs to increase market penetration and expand geographic markets including marketing initiatives, reimbursement initiatives, additional post-marketing clinical studies, advancing product registration and launching in new licensed territories including expansion into major European and Asian countries.
- 2. Accelerate development of the BARD1 autoantibody pipeline towards commercialisation:** The Company will prioritise the development of its lead BARD1-Ovarian test for early detection of ovarian cancer in high-risk women with hereditary breast and ovarian cancer syndrome (HBOC). Successful development and commercialisation of the BARD1-Ovarian test is expected to validate the clinical utility and commercial potential of the BARD1 autoantibody technology and its further application to breast, lung and other cancers.
- 3. Build an exosome-based liquid biopsy pipeline incorporating EXO-NET™ for core programs:** The Company will launch an initial RUO EXO-NET™ product for purification of exosomes in research applications. Commercialising an RUO product should provide an early revenue stream and will validate the SIEN-NET™ technology platform and path to market for new exosome-based diagnostics for core programs.
- 4. Build a SubB2M based liquid biopsy pipeline:** Build a range of proprietary new SubB2M assays that can be used for cancer treatment monitoring and, when combined with existing and/or novel cancer biomarkers, can be used to develop highly specific tests for diagnosis and monitoring of various cancers. The initial focus will be to improve the specificity of existing commercial diagnostic tests for screening and treatment monitoring to enable development and commercialisation of potential fast-to-market, next-generation products.
- 5. Partnering of Company technologies for non-core programs:** The Company is developing collaborations with several partners to advance non-core diagnostic and/or therapeutic programs with the potential to deliver substantial product and licensing revenues. The Company has already entered into initial collaborations for the SIEN-NET™ technology.
- 6. Strategic acquisition or in-licensing of additional complementary diagnostic assets:** The Company intends to further build its diagnostics portfolio through acquisition of innovative diagnostic technologies, novel biomarkers and later-stage products that complement the Company's existing technologies and development programs.

These initiatives are aimed at growing long-term shareholder value through expanding the Company's diagnostics pipeline, diversifying risk, strengthening the business, accelerating commercialisation and generating revenue.

The Group is focused on our vision of building a leading Australian diagnostics company and our mission of detecting cancer earlier to save lives. This has been a transformational year for the Company with the acquisition of Sienna, expanded leadership team, and strengthened diagnostics portfolio of marketed and development-stage products across multiple cancers. The Board and management thanks our combined staff, partners, contractors and shareholders for their dedication and support during the year as we positioned for growth and we look forward to reporting our technical and commercial progress in financial year 2021.



Dr Geoffrey Cumming
Chairman



Dr Leeorne Hinch
CEO

DIRECTORS' REPORT

The directors present their report together with the financial report of BARD1 Life Sciences Limited (**BARD1** or the **Company**) and its controlled entities (collectively referred to as the **Group**) for the financial year ended 30 June 2020 and the independent auditor's report thereon.

DIRECTORS

The names and details of the directors of the Company in office during the year ended 30 June 2020 and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Dr Geoffrey Cumming – Non-Executive Chairman BSc (Hons), B. App.Sc, MAICD, MBA, PhD (appointed 28 July 2020)

Dr Cumming has held senior roles in the global healthcare and biotechnology sector for more than 20 years. As Managing Director, Roche Diagnostic Systems (Oceania), Dr Cumming transformed the loss-making entity the Swiss parent was intending to divest, into the fastest growing and most profitable affiliate in the Roche group. In his role as Managing Director/CEO of Biosceptre International Ltd, Dr Cumming was successful in designing and securing key funding arrangements through a skilful range of capital raising initiatives, including large government grants, partnering and co-development deals. His most recent executive role was as Managing Director / CEO of Anteo Diagnostics Ltd (ASX: ADO). He is currently a Non-executive Director of Anteo Diagnostics Ltd and was previously Chairman of Sienna Cancer Diagnostics Ltd and a Non-executive Director of Medical Australia Ltd (ASX: MLA).

Dr Cumming is a member of the Remuneration Committee.

Dr Cumming has not been a director of any listed companies in the last three years other than those listed above.

Mr Peter Gunzburg – Non-Executive Chairman BCom (appointed 24 September 2001 - resigned 28 July 2020)

Mr Gunzburg was appointed a director on 24 September 2001. He has over 20 years' experience as a stockbroker. He holds a Commerce Degree from the University of Western Australia and has previously been a director of the Australian Stock Exchange Limited, CIBC World Markets Australia Limited and a number of ASX listed companies. Mr Gunzburg resigned on 28 July 2020. Mr Gunzburg was appointed as a Non-Executive Director and Chairman of Metals X Limited (ASX: MLX) on 10 July 2020.

Mr Gunzburg has not been a director of any other listed companies in the last three years.

Dr Irmgard Irminger-Finger – Executive Director & Founding Scientist BSc, MSc, PhD (appointed 16 June 2016)

Dr Irminger-Finger is an experienced chief scientist and internationally recognised expert in tumour biology. She studied molecular biology and biochemistry at the University of Zurich, obtained a master's in molecular biology and biochemistry and a PhD in molecular genetics. After several years as researcher at the Harvard University, she returned to Geneva, Switzerland. Having obtained a Swiss federal career development award, she focused her research on the molecular pathways at the aging and cancer interface. From 2006-2018 she headed the Molecular Gynaecology and Obstetrics Laboratory at the Geneva University Hospitals with focus on the function of tumour suppressor genes BRCA1 and BARD1. Dr Irminger-Finger built up her reputation as expert on the BRCA1 and BARD1 genes, as author of more than 90 scientific articles, speaker at more than 200 conferences and meetings, editor of scientific journals, member of specific study groups and task forces on cancer, and inventor of several patents that paved the way towards applications in cancer diagnostics and therapy. Dr Irminger-Finger has received numerous awards and grants both for academic research and for her entrepreneurial work as founder of a successful biotech start-up. She is currently Adjunct Professor at the University of Western Australia and was previously Privat Dozent at the University and University Hospital of Geneva, head of the Laboratory of Molecular Gynaecology and Obstetrics and Executive Director and founder of BARD1AG SA.

Dr Irminger-Finger has not been a director of any other listed companies in the last three years.

Mr Robert (Max) Johnston – Non-Executive Director (appointed 17 June 2019)

Mr Johnston held the position of President and Chief Executive Officer of Johnson & Johnson Pacific, a division of the world's largest medical, pharmaceutical and consumer healthcare company for 11 years. Prior to joining Johnson & Johnson, Mr Johnston's career also included senior roles with Diageo and Unilever in Australia, Africa and Europe. Mr Johnston has also held several prominent industry roles as a past President of ACCORD Australasia Limited, a former Vice Chairman of the Australian Food and Grocery Council and a former member of the board of the Australian Skills Management Institute (**ASMI**). Mr Johnston has had extensive overseas experience during his career in leading businesses in both Western and Central-Eastern Europe and Africa as well as the Asia-Pacific region. Mr Johnston is currently Non-Executive Chairman of AusCann Group Holdings Ltd (ASX: AC8) and a Non-Executive Director of PolyNovo Ltd (ASX: PNV), Medical Developments International Ltd (ASX: MVP), CannPal Limited (ASX: CP1) and ProLife Foods NZ. He was a former Non-Executive Director of Eneo Group Limited (ASX: EGG) and Non-Executive Chairman of Probiotec Ltd (ASX: PBP).

Mr Johnston is the Chair of the Company's Remuneration Committee.

Mr Johnston has not been a director of any listed companies in the last three years other than those listed above.

Mr Philip Powell B. Comm (Hons), ACA, F.Fin, MAICD – Non-Executive Director (appointed 17 June 2019)

Mr Powell is a Chartered Accountant with extensive experience in investment banking, specialising in capital raisings, initial public offerings (IPOs), mergers and acquisitions and other successful corporate finance assignments across a diverse range of sectors including pharma, utilities, IT, financial services, food and agriculture. He spent 10 years in senior financial roles at OAMPS Ltd, a former ASX-listed financial services group, and 10 years in audit with Arthur Andersen & Co in Melbourne, Sydney and Los Angeles. Mr Powell is currently a Non-Executive Director of PolyNovo Ltd (ASX: PNV), Medical Developments International Ltd (ASX: MVP) and RMA Global Ltd (ASX: RMY).

Mr Powell is the Chair of the Company's Audit and Risk Committee.

Mr Powell has not been a director of any listed companies in the last three years other than those listed above.

Professor Allan Cripps AO, PhD, BSc (Hons), FAHSM, FASM, FAIMS, FIBMS, FCHSM (appointed 23 January 2020)

Professor Cripps is a distinguished academic, clinical scientist and health services leader, having made significant contributions in immunology, diagnostics and health services delivery. From 2005 to 2016, Professor Cripps was the Pro Vice Chancellor (Health) at Griffith University and is currently a research professor at Griffith University, leading the Mucosal Immunology Research Group within the Menzies Health Institute Queensland. Professor Cripps had near 20 years' experience in the health and pharmaceutical industries before becoming a full-time academic focusing his research on mucosal immunology, respiratory tract infections, vaccine development and diagnostics. He has published over 300 peer reviewed scientific papers, presented at numerous international scientific conferences, received over \$17 million in Government and industry grant funding and is co-inventor on several international patents in the fields of diagnostics and vaccine protein antigens. He is a fellow of the Australian Academy of Health and Medical Scientists, the Australian Society for Microbiology, the Australian Institute of Medical Scientists, the Institute of Biomedical Scientists (UK) and the Australasian College of Health Service Management. In 2015 he was awarded the Order of Australia (AO) for distinguished service to tertiary education as a senior administrator and to public health as a leading immunologist, academic and researcher in the area of mucosal immunisation. Currently Professor Cripps is Independent Chair of the Children's Health Research Alliance Board. He was previously Non-Executive Director of Research Australia (2005 – 2012) and the Gold Coast Hospital and Health Services Board (2011 – 2017).

Professor Cripps is a member of the Company's Audit and Risk and Remuneration Committees.

Professor Cripps has not been a director of any other listed companies in the last three years.

Ms Helen Fisher BSc, LLB (Hons), LLM, MCom (appointed 28 July 2020)

Ms Fisher is CEO and Managing Director of Bio Capital Impact Fund and a director of NovellusDx, a personalised cancer diagnostics company. Prior to establishing the Fund, Ms Fisher was a partner of Deloitte and led Deloitte's Life Sciences industry practice in Australia for 5 years, having had many years' experience in the Life Sciences and Health Care industry. She also specialised in the Financial Services Industry, servicing some of the largest banks and funds in the Funds Management industry and has been involved in setting up a number of large international funds, as well as advised on a number of significant M&A deals. Ms Fisher provided strategic tax advice to publicly listed and large multinational companies and has extensive experience with capital raisings, licensing deals, demergers, implementing offshore structures, IP management and location, and supply chain management. Ms Fisher has a Bachelor degrees in Law (with Honours) and Science from the University of Melbourne, a Master's degree in Laws (specialising in International Taxation) from the University of Melbourne and a Master's degree in Commerce from the University of NSW. Ms Fisher is a Chartered Tax Adviser and an affiliate member of Chartered Accountants Australia and New Zealand. Ms Fisher is the Chair of the Victorian branch of AusBiotech and was previously a Non-Executive Director of Sienna Cancer Diagnostics Ltd.

Ms Fisher is a member of the Audit and Risk Committee.

Ms Fisher has not been a director of any listed companies in the last three years other than those listed above.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of issuing this report, the interests of the directors in the shares and performance shares of the Company were:

	Ordinary Shares	Performance Shares	Options
Irmgard Irminger-Finger	123,600,000	108,252,420	0
Max Johnston	8,438,668	0	0
Philip Powell	5,918,304	0	0
Allan Cripps	0	0	0
Geoff Cumming	3,472,802	0	1,560,000
Helen Fisher	0	0	1,040,000

EXECUTIVE MANAGEMENT AND COMPANY SECRETARY/S

CHIEF EXECUTIVE OFFICER

Dr Leeanne Hinch BSc BVMS MBA

Dr Hinch is an experienced biotechnology CEO with a strong track record in strategic planning, general management, fundraising, business development and commercialisation. She has held senior executive, management and consulting positions in ASX-listed biotechnology, multinational and private companies where she led the development and commercialisation of multiple diagnostic, device, therapeutic and animal health products. Dr Hinch has provided strategic and commercialisation consulting services as Director of Ingeneus Solutions to life science companies and previously held senior executive positions as Chief Executive Officer of neurotherapeutics company Pressura Neuro, CEO of immunotherapy company Immuron Ltd (ASX: IMC), Chief Operations Officer of transdermal drug delivery company OBJ Ltd (ASX: OBJ) and General Manager of biomedical company CollTech Australia (ASX: HCT). Dr Hinch holds Bachelor of Science, Bachelor of Veterinary Medicine and Surgery, and Master of Business Administration (Distinction) qualifications.

CHIEF OPERATIONS OFFICER

Mr Carl Stubbings BAppSc (MedTech) (appointed 28 July 2020)

Mr Stubbings has considerable experience commercialising diagnostic products, both locally and globally. Based in the US for 13 years, he served as Senior Vice President for Panbio USA Ltd and Vice-President of Sales and Marketing for Focus Diagnostics, a subsidiary of Quest Diagnostics, one of the world's largest pathology laboratories. In July 2012, Carl returned to Australia where he was appointed Chief Business Officer at Benitec Biopharma Limited (ASX: BLT, NASDAQ: BNTC). More recently, he has been assisting several Australian biotech companies with their commercialisation strategies. These companies include BCAL Diagnostics, a start-up company developing a blood test for breast cancer, Minomic, an Immuno Oncology company with a test for prostate cancer, and Biotron (ASX: BIT), a listed company that is developing and commercialising anti-viral small molecule therapies. He was previously a Non-Executive Director of medical device company Analytica Medical Limited (ASX: ALT) and Managing Director of Sienna.

CHIEF FINANCIAL OFFICER AND (JOINT) COMPANY SECRETARY

Mr Tony Di Pietro BComm CA, AGIA, MAICD (appointed 28 July 2020)

Mr Di Pietro B. Comm, CA, AGIA, MAICD is a Chartered Accountant with significant corporate accounting experience, gained both in Australia and the UK. He holds a Graduate Diploma of Applied Corporate Governance from the Governance Institute of Australia and is a member of the Australian Institute of Company Directors. Mr Di Pietro has held senior roles within the Biotechnology/MedTech industry for the past 15 years including Sienna Cancer Diagnostics Ltd and gained valuable experience in other industry sectors, employed by companies such as BHP Ltd, ExxonMobil Ltd, HSBC Ltd and Wilson Group.

CHIEF SCIENTIFIC OFFICER

Dr Peter French BSc MSc PhD MBA FRNSW (appointed 17 August 2020)

Dr French BSc MSc PhD MBA is a biotechnology executive and respected scientist with extensive CSO, CEO and director experience. He has a strong track record in commercialising medical innovations with over 40 years' scientific expertise in cell and molecular biology and over 40 peer reviewed publications across oncology, immunology, microbiology and neuroscience. Most recently, Dr French provided strategic and scientific consulting services to a number of biotechnology companies. His previous industry roles included being executive director of AusDiagnostics Pty Ltd, Bioxyne Ltd and BCAL Diagnostics, Managing Director of Benitec Biopharma Ltd, and founder and Non-Executive director of Cryosite Ltd (ASX: CTE). Dr French also had a successful academic career as Principal Scientist at the Centre for Immunology, St Vincent's Hospital and Post-Doctoral Research Scientist at the Children's Medical Research Foundation. He was awarded the Faculty of Science Alumni Achievement Award for Innovation and Entrepreneurship in 2019 from the University of Sydney.

JOINT COMPANY SECRETARY

Mrs Pauline Collinson

Mrs Collinson has been employed by the Company for 28 years and has held the position of Company Secretary for 18 years. She is also the Company Secretary of ASX listed Tanami Gold NL and Joint Secretary of Hong Kong (HKEx) listed Dragon Mining Limited.

OPERATIONAL REVIEW

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was the research and development of non-invasive diagnostic tests for early detection of cancer.

CORPORATE INFORMATION

BARD1 Life Sciences Limited is a Company limited by shares and is incorporated and domiciled in Australia. It is the ultimate legal parent entity of the BARD1 Life Sciences Group. As at 30 June 2020 it has one wholly owned subsidiary, BARD1AG SA, a company domiciled in Switzerland.

The Company made important progress during the 2020 financial year across its research and development programs, financial and corporate initiatives and financial results.

RESEARCH AND DEVELOPMENT PROGRAMS

The product development strategy for the BARD1 biomarker platform is to develop BARD1 autoantibody tests for early detection of ovarian, breast and lung cancers. BARD1 autoantibody tests measure autoantibodies to variant BARD1 proteins in the blood and use a proprietary cancer-specific algorithm to combine these levels into a cancer score that predicts the presence or absence of a specific cancer. BARD1 autoantibodies reflect the early immune response to tumour formation and are present in the early stages of cancer, potentially enabling BARD1 tests to detect cancer earlier across all cancer stages before symptoms appear.

BARD1 autoantibody tests target the large global market opportunity that exists for accurate, reliable and affordable blood tests which are less invasive and more convenient alternatives to current imaging methods (such as ultrasound for ovarian cancer, mammography for breast cancer, CT scans for lung cancer) that suffer cost, convenience, safety and other limitations. There are currently no blood tests approved for screening of ovarian, breast or lung cancer. BARD1 autoantibody tests have the potential to detect cancer early, improve patient outcomes, save lives and reduce healthcare costs.

During the year, the Company focused its R&D efforts on advancing the optimisation phase of its BARD1 kits, expanding research capacity in Australia, progressing its technology transfer program to enable development in Australia and prosecuting its IP portfolio.

BARD1 autoantibody program

During the year, the Company made significant progress advancing the optimisation phase of our important assay development agreement with TFS to transfer our BARD1 assay to the Luminex platform and develop a RUO BARD1 kit for use in our ongoing R&D programs.

The RUO BARD1 kit is a 22-plex peptide panel for detection of human antibodies against BARD1 isoforms, and is being developed to enable the Company to advance the research and commercial development of its BARD1 autoantibody tests for early detection of ovarian, breast and lung cancers on a commercial platform.

In July 2019, TFS delivered the first pilot version 1 (v1) RUO BARD1 kits to BARD1's contract research facility in Geneva for initial evaluation. In October 2019, BARD1 completed its evaluation of the pilot kits and signed off on the phase three development milestone having shown that the peptides used in the test could be transferred to the Luminex platform. BARD1 and TFS subsequently agreed to extend the assay development agreement into the optimisation phase for a version 2 (v2) RUO BARD1 kit and commenced optimisation activities to improve performance in ovarian cancer samples.

In May 2020, TFS completed the optimisation and production of the improved pilot v2 RUO BARD1 kits and the pilot kits were shipped to our collaborator, University of Geneva (UNIGE), for evaluation. In July 2020, UNIGE commenced studies to evaluate the reproducibility and accuracy of the new pilot v2 RUO BARD1 kits in previously tested ovarian cancer samples.

Verification of the accuracy of the v2 RUO BARD1 kits at UNIGE will be an important milestone for the Company, as the BARD1 kits can then be used to further develop and optimise our BARD1 autoantibody tests for early detection of ovarian, breast and lung cancers.

Luminex™ is an industry standard diagnostic platform widely used for development and commercialisation of multi-analyte diagnostic tests. Luminex instruments are used in laboratories worldwide enabling rapid transfer and evaluation by potential clinical laboratory partners.

Our lead pipeline product is the *BARD1-Ovarian* cancer test in development for early detection of ovarian cancer in high-risk women with Hereditary Breast and Ovarian Cancer (HBOC) syndrome. *BARD1-Ovarian* has shown excellent results in preclinical studies with diagnostic accuracy of 0.97 AUC, 89% sensitivity and 97% specificity in high-risk women with a family history of breast/ovarian cancer or carrying BRCA1/2 mutations (OC-R001 Study). There are currently no screening tests recommended for ovarian cancer, which is often diagnosed at a late-stage after symptoms have occurred resulting in a poor

5-year survival rate of only 47%. Ovarian cancer was the seventh most common cancer in women, the leading cause of gynaecological death and is responsible for 5% of all female cancer deaths worldwide with 295,414 new cases and 184,799 deaths in 2018.

Upon successful v2 RUO BARD1 kit evaluation, the Company plans to implement further studies to optimise and validate the performance of the BARD1-Ovarian cancer test for early detection of ovarian cancer in high-risk women with HBOC. These studies will be carried out in collaboration with leading academic groups and hospitals to validate the clinical performance of the BARD1-Ovarian cancer test including diagnostic sensitivity, specificity, negative predictive value and positive predictive value.

BARD1's second and highly complementary product is the *BARD1-Breast* cancer test in development for early detection of breast cancer in average-risk asymptomatic women. In preclinical studies, *BARD1 Breast* has shown diagnostic accuracy of 0.86 AUC, 70% sensitivity and 88% specificity for detection of breast cancer in average-risk women (BC-001a Study). Breast cancer is the second most commonly diagnosed cancer and leading cause of cancer death in women worldwide with 2.1 million new cases and 626,679 deaths in 2018.

BARD1-Breast is based on the same BARD1 assay as *BARD1-Ovarian* and has potential commercial synergies when combined with *BARD1-Ovarian* for detection of both breast and ovarian cancers in high-risk women with HBOC. Therefore, the Company plans to explore opportunities to speed development of *BARD1-Breast* through parallel clinical testing in high-risk women with HBOC. Developing both the *BARD1-Breast* and *BARD1-Ovarian* cancer tests for potential use in women with HBOC would be an important step towards BARD1's goal of developing screening tests for early detection of breast and ovarian cancers to fill this critical unmet need in women's healthcare.

The Company's third program is the *BARD1-Lung* cancer test in development for early detection of lung cancer in high-risk asymptomatic individuals. In preclinical studies, *BARD1-Lung* has shown up to 0.86 AUC, 80% sensitivity and 77% specificity for detection of lung cancer in a proof-of-concept study performed at the University of Geneva (LC-POC Study). The potential for a lung cancer screening test is substantial as lung cancer is the most commonly diagnosed cancer and leading cause of cancer death worldwide with 2.1 million new cases and 1.8 million deaths in 2018.

Griffith University Agreement

On 2 April 2020, the Company announced formal execution of the Consultancy and Commercial Research Agreement with the Mucosal Immunology Research Group (MIRG) at Griffith University to provide consultancy and scientific services to support the development and commercialisation of the BARD1 technology for detection of ovarian, breast and lung cancers.

MIRG has significant expertise in the development and validation of diagnostic assays for infectious and inflammatory responses. The Agreement provides the Company with local access to additional expertise in immunoassay development and performance, biostatistical analysis and critical biospecimens for future clinical validation studies as the Company advances its diagnostic programs towards commercialisation.

Technology Transfer Program

The Company also progressed its technology transfer program to enable its research activities to be transferred from its contract laboratory in Geneva into product development in Melbourne. The Company plans to undertake its future development activities for the BARD1 autoantibody program at its Melbourne-based office and laboratory premises under its ISO13485 quality management system.

Intellectual Property Portfolio

The Company has established a strong intellectual property (IP) position protecting its BARD1 biomarker technology and products including granted patents, patent applications and know-how, owned or exclusively licensed with claims covering various BARD1 nucleic acid and protein sequences, methods of diagnosis and treatment, and use in multiple cancers including lung, breast and ovarian cancer.

During the year the following patents were accepted and/or issued:

- Hong Kong Patent 17101268.4 titled "BARD1 isoforms in lung and colorectal cancer, detection method and use thereof" was issued by the Patents Registry, Intellectual Property Department on 19 July 2019. The granted HK 17101268.4 claims are directed towards specific BARD1 isoforms, various methods and kits for use in the detection of the specific BARD1 isoforms, and methods for treatment or prevention of lung and colorectal cancer. It enforces protection over BARD1-Lung in Hong Kong.
- Israeli Patent Application 245477 titled "Lung Cancer diagnosis" was issued by the State of Israel Patent Office on 1 April 2020. This patent provides protection for the BARD1-Lung cancer test in Israel.
- European Patent 2619218 titled "Kits for detecting breast or ovarian cancer in a body fluid sample and use thereof" was granted by the EPO on 29 April 2020. EP patents are not enforceable until validation has been completed in the designated countries. EP261918 was validated after year-end in France, Germany, Italy, Spain, Switzerland and United Kingdom, providing enforceable IP protection in these European countries for kits comprising peptides from

BARD1 isoforms for detecting autoantibodies associated with breast or ovarian cancer. This patent provides protection for the BARD1-Ovarian and BARD1-Breast cancer tests in Europe.

- Japan Patent Application 2016-551044 titled "Lung Cancer Diagnosis" was accepted by the Japanese Patent Office on 30 March 2020.
- Australian Patent Application 2014345613 titled "Lung Cancer Diagnosis" was accepted by the Australian Patent Office on 16 June 2020.
- Singapore Patent Application 11201603343Q titled "Lung Cancer Diagnosis" was accepted by the Singapore Patent Office on 18 June 2020.

BARD1 Patent status summary

Patent Family	Title	Granted	Pending	Predicted Expiry
PCT/FR01/02731 (WO/2002/018536)	Truncated BARD1 protein, and its diagnostic and therapeutic uses	JP, US		JP - 2021 US - 2024
PCT/IB2011/053635 (WO/2012/023112)	BARD1 isoforms in lung and colorectal cancer and use thereof	AU, CA, CN, EP, HK, IL, JP, US	BR, SG, US (divisional)	2031
PCT/IB2011/054194 (WO/2012/038932)	Kits for detecting breast or ovarian cancer in a body fluid sample and use thereof	EP, US	US (divisional)	2031
PCT/EP2014/073834 (WO/2015/067666)	Lung Cancer Diagnosis	IL	AU, CA, CN, EP, HK, JP, KR, SG, US	2034
EP14002398.7	Non-coding RNA as diagnostic marker and treatment target	US	US (continuation)	2035

** Plus any extension of term in the US due to prosecution delay*

FINANCIAL RESULTS

The Group reported a net loss from operating activities for the year of \$3,253,553, up 89% from previous year (2019: \$1,717,273 loss).

Total income was \$637,624, up 9% from previous year (2019: \$584,999). The Group received a Research and Development tax refund of \$464,101, other income of \$169,385 mostly from interest received and a foreign exchange gain of \$4,138.

Total operating expenditure increased by 69% to \$3,891,177 (2019: \$2,302,240). Research and Development expenses were \$515,339 on the BARD1 autoantibody program and scientific consulting. Patent expenses of \$169,558 was incurred on intellectual property prosecution and maintenance. Employee benefits expense increased to \$1,223,252 (2019: \$791,549) resulting from increased costs for new scientific staff, extending the BARD1 Chief Scientific Officer's contract from part-time (0.5 full time equivalent) to full-time and the addition of directors to the Board. Administration costs contributed \$692,802 (2019: \$743,889) and expenses of \$996,128 relating to the merger with Sienna was incurred during the financial year. The operating result also included a share-based payments expense of \$294,098 (2019: \$53,041) relating to the granting of options to the CEO.

The loss per share of the Group for the full-year ended 30 June 2020 was 0.24 cents per share (2019: 0.14 cents per share).

The Group had a cash position of \$7,326,861 at 30 June 2020 (2019: \$7,556,661), which included the receipt of approximately \$2.5 million from capital raised in July 2019 (before expenses).

CORPORATE INITIATIVES

Capital Raising

On 12 July 2019, the Company completed a capital raising of \$2.5 million (before costs) by way of a non-renounceable Entitlement Offer. A total of 124,289,854 new shares were issued at \$0.02 per share including 65,927,194 shares issued to existing eligible shareholders, 10,000,000 shares under Underwriting Agreements, and 48,362,660 shares to investors participating in the shortfall offer.

Board and Management Changes

BARD1 previously announced that it planned to expand its Board and management team and relocate to Melbourne as part of its corporate initiatives to strengthen the business as it moved towards commercialisation of its diagnostics pipeline.

In late 2019, the Company expanded its Geneva R&D team recruiting additional scientific staff and increasing the BARD1 CSO position to full-time to accelerate our BARD1 research projects, implement our technology transfer program and plan our product development activities.

On 23 January 2020, the Board appointed prominent Australian scientist Professor Allan Cripps AO, as a Non-Executive Director. Professor Cripps is a distinguished academic, clinical scientist and health services leader who brings invaluable scientific, diagnostic and vaccine development expertise, strong organisational leadership and Board experience, and extensive industry networks to the Company.

Post year end, on 24 July 2020, BARD1 announced the strengthening of its leadership team with the appointment of Dr Peter French as Chief Scientific Officer (CSO), effective 17 August 2020. Dr French will lead the Company's broader Research and Development (R&D) programs following the acquisition of Sienna (see further comments below). Dr French will be responsible for creating new intellectual property from the Company's multiple technology platforms, initiating new research projects and collaborations, and advancing its product development programs towards commercial outcomes. Dr Irmgard Irminger-Finger will transition to Executive Director and Founding Scientist to focus on advancing the important BARD1 autoantibody program developing tests for the early detection of ovarian, breast and lung cancer

On 28 July 2020, following the acquisition of Sienna, the Company welcomed the appointments of Dr Geoffrey Cumming as Non-Executive Chairman and Helen Fisher as a Non-Executive Director. As part of the Board changes, Mr Peter Gunzburg resigned from the Board on 28 July 2020. The Board and Management thank Mr Gunzburg for his leadership and for being the driving force behind the original acquisition of the BARD1 technology and intellectual property in 2016.

The Company also announced on 28 July 2020 that it had further strengthened its executive leadership team with the appointments of Mr Carl Stubbings as Chief Operations Officer (COO) and Mr Tony Di Pietro as Chief Financial Officer (CFO) and Company Secretary.

These appointments have expanded the Company's Board and leadership team providing the healthcare leadership, corporate strategy, scientific, diagnostic development and commercial experience to drive the commercialisation of its diagnostics assets and transform the business towards its vision of becoming a leading Australian diagnostics company.

Acquisition of Sienna Cancer Diagnostics

On 8 April 2020, the Company announced that it had entered into a Merger Implementation Agreement (MIA) with Sienna Cancer Diagnostics Limited (Sienna) to acquire 100% of the issued capital in Sienna under a Scheme of Arrangement (Scheme). The control was passed subsequent to 30 June 2020. Further details can be found below under the heading Significant Events after the Balance Date and in Note 11 of the Financial Statements.

The acquisition of Sienna and merger into BARD1 created a well-capitalised, Australian-based diagnostics company with a high-calibre Board, experienced leadership team and innovative cancer diagnostics portfolio. The Company will focus on the development and commercialisation of best-in-class lifesaving diagnostic solutions for health care professionals and patients.

Relocation of head office to Melbourne

In July 2020, BARD1 relocated its registered head office and CEO Dr Leeearne Hinch to Melbourne.

OUTLOOK

Details of the Company's expanded diagnostics portfolio and growth opportunities, following the acquisition of Sienna are set out in the Chairman and CEO report.

INHERENT RISKS OF INVESTMENT IN BIOTECHNOLOGY COMPANIES

There are many inherent risks associated with the development of medical devices including diagnostics to a marketable stage. The clinical development process is designed to evaluate the safety and effectiveness of a medical device prior to commercialisation and a significant proportion of medical devices fail one or both of these criteria. Other risks include uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary regulatory authority approvals and difficulties caused by the rapid advancements in technology.

Companies such as BARD1 are dependent on the success of their research projects and their ability to attract funding to support these activities. Investment in research and development projects cannot be assessed on the same fundamentals as other trading enterprises and access to capital and funding for the Group and its projects going forward cannot be guaranteed. Investment in companies specialising in research projects, such as BARD1, should be regarded as highly speculative. BARD1 strongly recommends that professional investment advice be sought prior to individuals making such investments.

FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report contain forward-looking statements regarding the Company's business and the technical and commercial potential of its technologies and products in development. Any statement describing the Company's goals, expectations, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of discovering, developing and commercialising medical devices that can be proven to be safe and effective for use in humans, and in the endeavour of building a business around such products and services. BARD1 undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. Actual results could differ materially from those discussed in this Annual Report. As a result, readers of this report are cautioned not to rely on forward-looking statements.

Rounding

No rounding has been applied to the amounts contained in the financial report under the option available to the Company under ASIC Corporations (Rounding in Financial/Director's report) instrument 2016/191. The Company is an entity to which the legislative instrument applies.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 8 April 2020, BARD1 entered into a merger implementation agreement (MIA) with Sienna Cancer Diagnostics Limited under which BARD1 would acquire 100% of the issued share capital in Sienna under a scheme of arrangement (Scheme).

On 15 July 2020, Sienna Shareholders approved the Scheme. On 20 July 2020, the Federal Court of Australia approved the Scheme in relation to the proposed acquisition by BARD1 of all the shares in Sienna and the court order was lodged with the Australian Securities and Investments Commission, making the Scheme legally effective.

On 28 July 2020, the Scheme was implemented under which Sienna shareholders received 13 new fully paid ordinary shares in BARD1 for every 5 fully paid ordinary shares held in Sienna at 7pm on 23 July 2020 a total of 1,027,345,358 shares were issued to Sienna shareholders. All fully paid ordinary shares in Sienna were transferred to BARD1 and Sienna is now a wholly owned subsidiary of BARD1 and was removed from the official list of ASX Limited.

As part of the Scheme a total of 36,495,332 options in the Company were issued as replacement options to holders of options in Sienna. Details of the options issued are:

Number	Exercise Price	Expiry Date
1,300,000	\$0.096	02-Aug-21
2,574,000	\$0.096	21-Sep-21
4,333,332	\$0.093	01-Apr-22
7,540,000	\$0.020	28-Jul-25
3,120,000	\$0.048	03-May-23
4,680,000	\$0.040	15-Nov-23
6,500,000	\$0.039	04-Dec-23
3,848,000	\$0.027	02-Jul-24
2,600,000	\$0.017	06-Feb-25

A further 1,300,000 million options exercisable at \$0.027 expiring on 2 July 2024 are expected to be issued in due course.

Board and Management appointments associated with the Scheme have been disclosed in prior sections of the Report.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not impacted financially on the Company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

At the date of this report, other than that outlined above, there have been no matters or circumstances that have arisen since the end of the period which significantly, or may significantly effect:

- The consolidated entity's operations in future years;
- The results of those operations in future years; or
- The consolidated entity's state of affairs in future years.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than those outlined in this report there were no other significant changes in the state of affairs of the Company during the period.

FINANCIAL POSITION

The net assets of the Group at 30 June 2020 totalled \$6,475,114 (2019: \$7,134,679).

Total assets at 30 June 2020 totalled \$7,374,236 (2019: \$7,626,534). The Group had cash and cash equivalents of \$7,326,861 at 30 June 2020 (2019: \$7,556,661).

DIVIDENDS

No dividend has been declared, provided for or paid in respect of the year ended 30 June 2020 or 30 June 2019.

SHARE OPTIONS

Shares issued as a result of the exercise of options

No options were exercised during the period and up to the date of the directors' report.

Options issued

2,000,000 options were issued to a consultant in the 2018 financial year exercisable at \$0.0128 on or before 20 February 2022. These options remain on issue at the date of this report.

10,000,000 CEO options were issued in the 2020 financial year exercisable at \$0.035 on or before 4 October 2023. These options remain on issue at the date of this report.

5,000,000 CEO options were issued in the 2020 year exercisable at \$0.062 on or before 20 November 2023. These options remain on issue at the date of this report.

Information on options issued post 30 June 2020 are in the significant events after the balance date section above.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has insurance in place to indemnify directors of the Company against liability incurred to a third party (not being the Company or a related party) that may arise from their position as directors or officers of the Company.

In accordance with subsection 300(9) of the Corporations Act 2001, further details have not been disclosed due to confidentiality provisions of the insurance contracts.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

INTERESTS IN CONTRACTS OR PROPOSED CONTRACTS WITH THE COMPANY

During the financial year, no director has had any interest in a contract or proposed contract with the Company being an interest the nature of which has been declared by the director in accordance with Section 300(11)(d) of the *Corporations Act 2001* except for:

- The contracts for the executive and non-executive director services as disclosed in the remuneration report.

DIRECTORS' MEETINGS

The following table sets out the number of meetings of the Company's directors held during the year ending 30 June 2020 and the number of meetings attended by each director.

	Directors' Meetings		Audit Committee	
	No. of meetings held while in office	Meetings attended	No. of meetings held while in office	Meetings attended
Peter Gunzburg (resigned 28/07/20)	10	10	2	2
Irmgard Irminger-Finger	10	10	2	2
Max Johnston	10	10	2	2
Phillip Powell	10	10	2	2
Allan Cripps (appointed 23/01/20)	5	5	N/A	N/A
Geoff Cumming (appointed 28/07/20)	N/A	N/A	N/A	N/A
Helen Fisher (appointed 28/07/20)	N/A	N/A	N/A	N/A

REMUNERATION REPORT (AUDITED)

This Remuneration Report outlines the director and executive remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report Key Management Personnel (KMP) of the Group are defined as those persons having the authority and responsibility for planning, directing and controlling the major activities of the Group. The remuneration report has been audited as required by section 300A of the *Corporations Act 2001*.

Use of remuneration consultants

Independent external advice is sought from remuneration consultants when required, however no advice has been sought during the period ended 30 June 2020.

Remuneration Policy

The Group has designed its compensation policies to ensure significant linkage between rewards and specific achievement that are intended to improve shareholder wealth. In assessing the link between the Group performance and compensation policy, it must be recognised that biotechnology companies generally do not make a profit until a drug or device is licensed or commercialised, either of which takes a number of years. Furthermore, the biotechnology sector as a whole is highly volatile, significantly driven by market sentiment and inherently high risk. Therefore, the direct correlation of compensation policy and traditional financial performance measures is not appropriate. As an alternative, key milestones are a more meaningful measure of performance to correlate levels of compensation. These milestones are discrete achievements and can be used to evaluate the Group's progress towards commercialising its various projects.

The Board recognises that the performance of the Company depends upon the quality of its Directors and Executives and to this end the Company is aware that it must attract, motivate and retain experienced Directors and Executives. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. Such officers are given the opportunity to receive their base emolument in the form of salary and fringe benefits such as motor vehicle allowances.

In accordance with best practice governance, the structure of Non-Executive Directors and senior executive remuneration is separate and distinct. It should be noted that the amount of salary and the grant of options is at the discretion of the board of directors. The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to Shareholders.

The Company's Constitution and ASX Listing Rules specify that aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting of Shareholders. Approval by Shareholders was granted at a general meeting on 14 November 2019 to pay Non-Executive Directors an aggregate amount of \$400,000 per annum. The Board considers fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process. Each Non-Executive Director may also receive an equity based component where approval has been received from Shareholders in a general meeting.

The Company's Remuneration Committee was established on 25 February 2020 and initially consisted of two members being Mr Max Johnson (Chair) and Mr Allan Cripps. Mr Johnson and Mr Cripps are Non-Executive Directors of the Company. Remuneration for directors and executives are not linked directly to the performance of the economic entity. Dr Cumming was appointed to this Committee on 13 August 2020.

The Company has Employment and/or Consultancy Agreements in place with Dr Irminger-Finger, Dr Hinch, Mr Powell, Mr Johnson, Professor Cripps, Dr Cumming, Ms Fisher, Mr Stubbings, Mr Di Pietro and Dr French. The major provisions of each of the agreements relating to compensation are set out below.

Dr Cumming (appointed 28 July 2020)

Dr Geoffrey Cumming has a Letter of Appointment with the Company dated 23 July 2020 to perform the role of Non-Executive Chairman for an annual base fee of \$75,000 plus superannuation entitlement. Dr Cumming is not entitled to a termination or redundancy benefit.

Dr Hinch

Dr Leeanne Hinch has an Executive Employment Agreement with the Company dated 7 November 2016 to perform the role of Chief Executive Officer, under which Dr Hinch is paid a total fixed remuneration of \$350,000 per annum (inclusive of superannuation). This arrangement can be terminated by either party by providing 6 months written notice, which based on current remuneration rates would amount to a termination payment of up to \$175,000 if the full notice period is not served.

At 30 June 2020 the Board have agreed a Short-Term Incentive (STI) bonus of \$26,250 having regard to the attainment of agreed operational performance criteria for the 6 months to 30 June 2020. Dr Hinch was paid a Bonus of \$35,000 during the year upon meeting agreed operational performance criteria to 30 November 2019. Dr Hinch may also be eligible for a Long-Term Incentive (LTI) being the grant of options. During the year the Company issued 15,000,000 options to Dr Hinch pursuant to the BARD1 Incentive Option Plan. In addition, under the terms of the employment agreement with Dr Hinch the Company may also consider the potential issue of a further 5,000,000 options. No expense has however been recognised for the grant of 5,000,000 options as neither the Board or the Company has agreed to do so at balance date.

Dr Irminger-Finger

Dr Irmgard Irminger-Finger has a Consultancy Agreement with the Company dated 1 June 2016 to perform the role of Chief Scientific Officer as specified in the Consultancy Agreement. Dr Irminger-Finger is paid \$300,000 per annum. This arrangement can be terminated by either party by providing 180 days written notice, which based on current remuneration rates would amount to a termination payment of up to \$150,000 if the full notice period is not served.

Mr Johnston

Mr Max Johnston has a Letter of Agreement with the Company dated 17 June 2019 to perform the role of Non-Executive Director for an annual base fee of \$50,000 plus superannuation entitlement. Mr Johnston is not entitled to a termination or redundancy benefit.

Mr Powell

Mr Philip Powell has a Letter of Agreement with the Company dated 17 June 2019 to perform the role of Non-Executive Director for an annual base fee of \$50,000 plus superannuation entitlement. Mr Powell is not entitled to a termination or redundancy benefit.

Professor Cripps

Professor Allan Cripps has a Letter of Agreement with the Company dated 23 January 2020 to perform the role of Non-Executive Director for an annual base fee of \$50,000 plus superannuation entitlement. Professor Cripps is not entitled to a termination or redundancy benefit.

Ms Fisher (appointed 28 July 2020)

Ms Helen Fisher has a Letter of Appointment with the Company dated 23 July 2020 to perform the role of - Non-Executive Director for an annual base fee of \$50,000 plus superannuation entitlement. Ms Fisher is not entitled to a termination or redundancy benefit.

Mr Stubbings (appointed 28 July 2020)

Mr Carl Stubbings has an Employment Agreement with the Company dated 28 July 2020 to perform the role of Chief Operating Officer for an annual base salary of \$255,000 per annum plus superannuation entitlement. This arrangement can be terminated by either party providing 3 months written notice, which based on current remuneration rates would amount to a termination payment of up to \$63,750 if the full notice period is not served.

Mr Di Pietro (appointed 28 July 2020)

Mr Tony Di Pietro has an Employment Agreement with the Company dated 23 February 2015 to perform the role of Chief Financial Officer and Company Secretary, under which Mr Di Pietro is paid a total fixed remuneration of \$255,000 per annum plus superannuation entitlement. This arrangement can be terminated by either party providing 3 months written notice, which based on current remuneration rates would amount to a termination payment of \$63,750 if the full notice period is not served.

Dr French (appointed 17 August 2020)

Dr Peter French has an Employment Agreement with the Company dated 17 August 2020 to perform the role of Chief Scientific Officer of the Group for an annual base salary of \$255,000 per annum plus superannuation entitlement. This arrangement can be terminated by either party providing 1 months written notice within the first 6 months and then the lessor of 3 months written notice or the remaining term, which based on current remuneration rates would amount to a termination payment of up to \$63,750 if the full notice period is not served.

The Company does not have any other consultancy or employment agreements in place.

Remuneration of Key Management Personnel

		Short Term Benefits Salary & Fees	Bonus	Post Employment Benefits Superannuation	Long Term Benefits	Share Based Payments	Total
P Gunzburg	2020	75,000	-	7,125	-	-	82,125
Chairman	2019	68,750	-	6,531	-	-	75,281
I Irminger-Finger	2020	275,000	-	-	-	-	275,000
Executive-Director	2019	150,000	-	-	-	-	150,000
P Powell	2020	50,000	-	4,750	-	-	54,750
Non-Exec Director	2019	1,950	-	185	-	-	2,135
M Johnson	2020	50,000	-	4,750	-	-	54,750
Non-Exec Director	2019	1,950	-	185	-	-	2,135
A Cripps ²	2020	20,833	-	1,979	-	-	22,812
Non-Exec director	2019	-	-	-	-	-	-
G Laurent	2020	-	-	-	-	-	-
Non-Exec Director	2019	3,000	-	285	-	-	3,285
B Montgomery	2020	-	-	-	-	-	-
Non-Exec Director	2019	24,000	-	-	-	-	24,000
L Hinch ¹	2020	330,384	61,250	24,519	1,486	294,098	711,737
CEO	2019	361,036	-	19,615	8,750	53,041	442,442
Total	2020	801,217	61,250	43,123	1,486	294,098	1,201,174
Total	2019	610,686	-	26,801	8,750	53,041	699,278

¹ Includes \$26,250 for year end 30 June 2020 bonus.

² Prof Cripps was appointed as a non-executive director on 23 January 2020.

Consolidated Entity Performance

The table below shows the performance of the consolidated entity as measured by the consolidated entity's closing share price and EPS over the last five years.

	6 Months ended 30 June 2016	12 months ended 30 June 2017	12 months ended 30 June 2018	12 months ended 30 June 2019	12 months ended 30 June 2020
Closing share price	\$0.22	\$0.010	\$0.014	\$0.020	\$0.027
Loss after tax (\$)	(2,841,093)	(2,604,171)	(1,817,301)	(1,717,273)	(3,253,553)
EPS (\$ per share)	(0.011)*	(0.004)*	(0.003)*	(0.001)*	(0.0022)

*The loss per share calculations for periods prior to 30 June 2019 have been adjusted by a factor of 1.019 to reflect the bonus element of the capital raising completed subsequent to year end. There is no impact on the above disclosed number due to the adoption of AASB 16 Leases during the financial year.

Options Granted and Vested during the year ended 30 June 2020

SHARE OPTIONS

Shares issued as a result of the exercise of options

No options were exercised during the period and up to the date of the directors' report.

Options issued during the financial year and on issue at the date of this report

During the 2020 financial year, the Company issued and granted 15,000,000 CEO Options to Dr Leeanne Hinch pursuant to the Company's Incentive Option Plan, in consideration for services provided by Dr Hinch in her role as Chief Executive Officer of the Company and as an incentive for future performance and to satisfy the Company's requirements in relation to the Long Term Incentives under the CEO's Executive Employment Agreement. The CEO Options consist of:

- 10,000,000 CEO Options (Tranche 1) issued and granted on 4 October 2019 exercisable at \$0.035 each on or before 4 October 2023; and
- 5,000,000 CEO Options (Tranche 2) issued and granted on 20 November 2019 exercisable at \$0.062 each on or before 20 November 2023.

The table below discloses the number of share options granted, vested or lapsed during the year.

	Financial Year	Options awarded during the year	Grant date	Fair value per option at award date (\$)	Vesting date	Exercise price	Expiry date	Value of options granted during the year [^]
L Hinch	2020	10,000,000	27/09/2019	0.0270489	On issue	\$0.035	4/10/2023	\$270,489
L Hinch	2020	5,000,000	27/09/2019	0.0220089	On Issue	\$0.062	20/11/2023	\$110,045

Determined at the time of grant per AASB 2. For details on the valuation of the options, including models and assumptions used, please refer to Note 30.

Share options do not carry any voting or dividend rights and can only be exercised once the vesting conditions have been met. No options were exercised or lapsed during the financial year.

In the prior year, 5 million options were to be issued, subject to shareholder approval to Dr Leeearne Hinch. During the financial period, it was agreed that these options were not to be issued. This resulted in the prior year expense being reversed in the current period.

Refer to the subsequent event section for options issued post 30 June 2010.

KEY MANAGEMENT PERSONNEL SHAREHOLDINGS

At 30 June 2020 the interests of the key management personnel in the ordinary shares and performance shares in the Company were:

	Balance Ordinary Shares 30 June 2019	Subscribed for under Entitlements offer	Net change other	Balance Ordinary Shares 30 June 2020	Unquoted Performance Shares at 30 June 2020	Unquoted Performance Shares at 30 June 2019
Peter Gunzburg	35,802,005	3,580,201	0	39,382,206	0	0
Irmgard Irminger-Finger	112,152,737	500,000	10,947,263	123,600,000	**108,252,420	**108,252,420
Max Johnston	0	5,000,000	700,000	5,700,000	0	0
Philip Powell	0	5,000,000	0	5,000,000	0	0
Allan Cripps	0	0	0	0	0	0

* The Performance Shares expire on 9 June 2021

Milestones for conversion are as follows:

- each Performance Share will convert into one Share upon the announcement by the ASX of the following prior to the Expiry Date;
 - the clinical trial of the blood test developed by BARD1AG SA S.A. for the detection of lung cancer (BBLC Test) has been completed;
 - the clinical trial involved at least 2,000 participants, and returned a detection rate greater than 80%, and false positive results of less than 20%; and
 - the results of the clinical trial provide statistically significant evidence that the BBLC Test provides an outcome equal or superior to the current "gold standard" CT Scan, which has a detection rate of less than 80%, and returns false positive results of more than 20%.

Performance Shares are unquoted, not entitled to dividends and there are no participation rights or entitlements inherent in the Performance Shares and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Shares. The Performance Shares were issued as consideration for the acquisition of shares held in BARD1AG SA and not granted as remuneration.

No performance shares were issued or converted to ordinary shares during the year.

KEY MANAGEMENT PERSONNEL OPTIONS

	Balance Options 30 June 2019	Granted as Remuneration*	Balance Options 30 June 2020
Leeearne Hinch	0	15,000,000	15,000,000

*Refer to previous page for details

No other key management personnel held options at 30 June 2019 or 30 June 2020. Refer to previous page for details of options issued.

Loans to Key Management Personnel

There have been no loans to KMP's during the financial year.

Other Transactions with KMPs

There have been no other transactions with KMP's during the financial year.

Voting and comments at the Company's 2019 Annual General Meeting

The Company received 100% of "yes" votes on its Remuneration Report for the 2019 financial year. The Company did not receive any specific feedback at the AGM on its remuneration policies.

** END OF REMUNERATION REPORT **

NON-AUDIT SERVICES

The Company may decide to employ the external auditor on assignments additional to their statutory audit duties, where the auditor's expertise and experience with the Company and the Group are important. The Audit and Risk Committee has considered the position and is satisfied that the provision of the non-audit services did not compromise the auditor for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence.

	2020 \$	2019 \$
Fees to Ernst & Young Australia for:		
- Financial due diligence with regards to Scheme of Arrangement with Sienna Cancer Diagnostics Ltd	122,705	-

AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the twelve months ending 30 June 2020 has been received and can be found on page 19.

Signed in accordance with a resolution of the directors



Dr Geoffrey Cumming
Non-Executive Chairman
24 August 2020



**Building a better
working world**

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Auditor's independence declaration to the directors of BARD1 Life Sciences Limited

As lead auditor for the audit of the financial report of BARD1 Life Sciences Limited for the financial year ended 30 June 2020, I declare to the best of my knowledge and belief, there have been:

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

This declaration is in respect of BARD1 Life Sciences Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

V L Hoang
Partner
24 August 2020

	Note	Consolidated Group	
		For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
Other income	3	169,385	58,919
Research and development tax incentive	3	464,101	520,798
Employee benefits expense	3	(1,223,252)	(791,549)
Movement in the fair value of investments classified held for trading		-	(32)
Foreign exchange (loss)/gain		4,138	5,282
Research expense	3	(515,339)	(576,738)
Patent expenses	3	(169,558)	(137,023)
Share based payments expense	15	(294,098)	(53,041)
Business Combinations expenses	3	(996,128)	-
Administration costs	3	(692,802)	(743,889)
Loss before income tax expense		(3,253,553)	(1,717,273)
Income tax expense	4	-	-
Loss after income tax expense		(3,253,553)	(1,717,273)
Other comprehensive income			
<i>Items that may be subsequently reclassified to operating result</i>			
Foreign currency translation	9	(6,887)	(13,299)
Other comprehensive loss for the year, net of tax		(6,887)	(13,299)
Total comprehensive loss attributable to the members of BARD1 Life Sciences Limited		(3,260,440)	(1,730,572)
Loss per share:		Cents	Cents
Basic loss per share	13	(0.24)	(0.14)
Diluted loss per share	13	(0.24)	(0.14)

The accompanying notes form part of these financial statements.

		Consolidated Group	
	Notes	30 June 2020 \$	30 June 2019 \$
Current Assets			
Cash and cash equivalents	11	7,326,861	7,556,661
Other receivables	5	21,375	61,278
Prepayments		26,000	8,595
Total Current Assets		7,374,236	7,626,534
Current Liabilities			
Trade and other payables	6	798,856	427,709
Provisions	7a	77,075	35,488
Total Current Liabilities		875,931	463,197
Non-Current Liabilities			
Provisions	7b	23,191	28,658
Total Non-Current Liabilities		23,191	28,658
TOTAL LIABILITIES		899,122	491,855
NET ASSETS		6,475,114	7,134,679
EQUITY			
Issued Capital	8	19,286,885	16,980,108
Distribution reserve	9	(309,421)	(309,421)
Share based payment reserve	9	388,734	94,636
Foreign exchange translation reserve	9	(62,905)	(56,018)
Accumulated losses	10	(12,828,179)	(9,574,626)
TOTAL EQUITY		6,475,114	7,134,679

The accompanying notes form part of these financial statements.

For the year ended 30 June 2020

	Issued Capital \$	Accumulated losses \$	Distribution Reserve \$	Foreign Currency Translation reserve \$	Share Based Payments Reserve \$	Total Equity \$
At 30 June 2019	16,980,108	(9,574,626)	(309,421)	(56,018)	94,636	7,134,679
Loss for the year	-	(3,253,553)	-	-	-	(3,253,553)
Other comprehensive income	-	-	-	(6,887)	-	(6,887)
Total comprehensive loss for the period	-	(3,253,553)	-	(6,887)	-	(3,260,440)
Share based payment	-	-	-	-	294,098	294,098
Issue of shares net of costs	2,306,777	-	-	-	-	2,306,777
At 30 June 2020	19,286,885	(12,828,179)	(309,421)	(62,905)	388,734	6,475,114

For the year ended 30 June 2019

	Issued Capital \$	Accumulated f losses \$	Distribution Reserve \$	Foreign Currency Translation reserve \$	Share Based Payments Reserve \$	Total Equity \$
At 1 July 2018	9,298,385	(7,857,353)	(309,421)	(42,719)	41,595	1,130,487
Loss for the year	-	(1,717,273)	-	-	-	(1,717,273)
Other comprehensive income	-	-	-	(13,299)	-	(13,299)
Total comprehensive loss for the period	-	(1,717,273)	-	(13,299)	-	(1,730,572)
Share based payment	-	-	-	-	53,041	53,041
Issue of shares net of costs	7,681,723	-	-	-	-	7,681,723
At 30 June 2019	16,980,108	(9,574,626)	(309,421)	(56,018)	94,636	7,134,679

The accompanying notes form part of these financial statements.

	Notes	Consolidated Group	
		For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
Cash Flows from Operating Activities			
Interest received		98,385	8,731
Other receipts		71,000	50,188
Payments to suppliers and employees		(3,170,063)	(2,150,436)
Research and development tax incentive		464,101	520,798
Net cash flows used in operating activities	11	(2,536,577)	(1,570,719)
Cash Flows from Financing Activities			
Proceeds from issue of shares		2,485,797	8,285,747
Share issue costs		(179,020)	(604,024)
Net cash inflow from financing activities		2,306,777	7,681,723
Net increase/(decrease) in cash and cash equivalents		(229,800)	6,111,004
Cash and cash equivalents at the beginning of the financial period		7,556,661	1,445,657
Cash equivalents at the end of the financial period		7,326,861	7,556,661

The accompanying notes form part of these financial statements.

1. CORPORATE INFORMATION

The financial report of BARD1 Life Sciences Limited (the Company) and its subsidiaries (collectively the "Consolidated Entity" or the "Group") for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the directors on 24 August 2020.

BARD1 Life Sciences Limited is a Company limited by shares incorporated and domiciled in Australia and whose shares are publicly traded on the Australian Securities Exchange. The company is a for-profit entity. The principal activities of the consolidated group during the financial year were the research and development of non-invasive diagnostic tests for early detection of cancer.

The Company's registered office changed to 23 Normanby Road, Notting Hill Victoria 3168 in July 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Going Concern

The consolidated financial statements have been prepared under the going concern basis of accounting. The directors believe this basis to be appropriate, taking into account the Group's cash position at 30 June 2020, the business combination with Sienna Cancer Diagnostics Limited subsequent to year-end and the anticipated working capital requirements for the twelve months from the date of approval of these financial statements.

(b) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). The financial statements comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial report has been prepared on a historical cost basis, except for certain investments, which have been measured at fair value. The financial report is prepared in Australian dollars.

(c) Compliance Statement

The Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by AASB that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2019, including:

AASB 16 Leases

The application date of AASB 16 for the Group was 1 January 2019. AASB 16 was issued in January 2016 and it replaces AASB 117 *Leases* ("AASB 117"), AASB Interpretation 4 Determining whether an Arrangement contains a Lease ("AASB Interpretation 4"), AASB Interpretation-1 15 Operating Leases-Incentives ("AASB Interpretation 1 15") and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease ("AASB Interpretation 127"). AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under AASB 117. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). The Group has elected to use these recognition exemptions for the lease contracts. At the commencement date of a lease, a lessee recognises a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees are required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Group adopted AASB 16 using the modified retrospective method of adoption with the date of initial application of 1 July 2019. At the transition date, the Group assessed all contracts which had assets embedded in it for leases under AASB 16. The Group elected to use the practical expedient for lease contracts that, at the commencement date, have a lease term of 12 months or less ("short-term leases") and do not contain a purchase option.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the carrying at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application

- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

IFRIC Interpretation 23 *Uncertainty over Income Tax Treatment*

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of AASB 112 *Income Taxes*. It does not apply to taxes or levies outside the scope of AASB 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group operates in a complex multinational environment, it assessed whether the Interpretation had an impact on its consolidated financial statements.

Upon adoption of the Interpretation, the Group considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's and the subsidiaries' tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Group determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities. The Interpretation did not have an impact on the consolidated financial statements of the Group.

Several other new and amended Accounting Standards and Interpretations applied for the first time from 1 July 2019 but did not have an impact on the consolidated financial statements of the Group and, hence, have not been disclosed. Other than the changes described below, the accounting policies adopted are consistent with those of the previous financial year

(d) **New and amended accounting standards and interpretations issued but not yet effective**

The following relevant standards and interpretations have been issued by the AASB but are not yet effective for the period ended 30 June 2020. The Company is in the process of determining the impact of the above on its financial statements. The Company has not elected to early adopt any new Standards or Interpretations.

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 3	Amendments to Australian Accounting Standards: <i>Definition of a Business</i>	<p>Amendments were issued to the definition of a business in AASB 3 <i>Business Combinations</i> to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments.</p> <p>Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.</p>	1 January 2020	1 July 2020

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 101 and AASB 108	Amendments to Australian Accounting Standards: <i>Definition of Material</i>	<p>Amendments are issued to AASB 101 <i>Presentation of Financial Statements</i> and AASB 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'</p> <p>The amendments to the definition of material is not expected to have a significant impact on the Group's consolidated financial statements.</p>	1 January 2020	1 July 2020
AASB 16	Amendments to Australian Accounting Standards: <i>COVID-19-Related Rent Concessions</i>	<p>AASB 16 <i>Leases</i> has been amended to provide relief to lessees from applying the AASB 16 guidance on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. The amendment does not apply to lessors.</p> <p>As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under AASB 16, if the change were not a lease modification.</p> <p>The amendment is not expected to have a significant impact on the Group's consolidated financial statements.</p>	1 June 2020	1 July 2020
AASB 101	Amendments to Australian Accounting Standards – <i>Classification of Liabilities as Current or Non-current</i>	<p>This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.</p> <p>The amendment is not expected to have a significant impact on the Group's consolidated financial statements.</p>	1 January 2022	1 July 2022
	Amendments to Australian Accounting Standards – <i>Reference to the Conceptual Framework</i>	<p>This Standard makes amendments to Australian Accounting Standards, Interpretations and other pronouncements to permit other entities to continue using the <i>Framework for the Preparation and Presentation of Financial Statements</i> adopted by the AASB in 2004 (Framework) and Statement of Accounting Concepts SAC 1 <i>Definition of the Reporting Entity</i> to determine whether they are a reporting entity that needs to prepare general purpose financial statements that comply with Australian Accounting Standards.</p>	1 January 2020	1 July 2020

Reference	Title	Summary	Application date of standard	Application date for Group
		Some Australian Accounting Standards, Interpretations and other pronouncements contain references to, or quotations from, the <i>Framework</i> . This Standard updates some of those references and quotations so that they refer to the <i>Conceptual Framework</i> , and makes other amendments to clarify which version of the conceptual framework is referred to in particular pronouncements. The amendment is not expected to have a significant impact on the Group's consolidated financial statements.		

(e) Statement of Significant Accounting Policies

(i) Basis of Consolidation

The consolidated financial statements comprise the financial statements of BARD1 Life Sciences Limited and its subsidiaries as at 30 June 2020.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

(ii) *Revenue and other income*

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset) to the carrying amount of the financial asset.

Government grants

Government grants are recognised where they can be reliably measured, it is certain that the grant will be received and all attached conditions will be satisfied. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs for which it is intended to compensate, are expensed. When the grant relates to an asset, it is offset against the capitalised amount and recognised as income in equal amounts over the expected useful life of the related asset (when the asset is depreciated).

(iii) *Income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance date in the countries where the Group operates and generates taxable income.

Deferred income tax is provided using the full liability method on temporary differences at the balance date between the tax bases of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- where the deferred income tax arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary difference associated with investments in subsidiaries, deferred tax asset are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(iv) *Goods and services tax*

Revenues, expenses and assets (other than receivables) are recognised net of the amount of goods and services tax (GST), except:

- when the amount of GST incurred is not payable to or recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows

(v) *Trade and other receivables*

Trade receivable that do not contain a significant financing component or for which the Consolidated Entity has applied the practical expedient are measured initially at the transaction price determined under AASB 15. Trade and other receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principle and interest are classified and subsequently measured at amortised cost. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Following initial recognition, the amortised cost is calculated using the effective interest method.

The Group assesses on a forward looking basis the expected credit loss associated with its trade receivables carried at amortised cost. The expected credit loss is calculated using the simplified approach which requires the loss allowance to be based on the lifetime expected credit loss. In determining the expected credit loss the Group assesses the profile of the debtors and compares with historical recoverability trends, adjusted for factors that are specific to the debtors' general economic conditions and an assessment of both the current and forecast conditions as a reporting date.

The Group considers an event of default has occurred when a financial asset is more than 90 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(vi) *Investments and other financial assets*

Investments and financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets under AASB 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics, which arise on specified dates and are solely payments of principal and interest ("SPPI"). A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. For financial assets measured at amortised cost, these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

As of 30 June 2020, the Company's financial instruments consist of cash and cash equivalents, trade and other receivables and trade and other payables classified as financial assets and liabilities at amortised costs.

Impairment of financial assets

In relation to the financial assets carried at amortised cost, AASB 9 requires an expected credit loss ("ECL") model to be applied as opposed to an incurred credit loss model under AASB 139. The ECL model requires the Group to account for ECL and changes in those ECL at each reporting date to reflect changes in credit risk since initial recognition of the financial asset. In particular, AASB 9 requires the Group to measure the loss allowance at an amount equal to lifetime ECL if the credit risk on the instrument has increased significantly since initial recognition. On the other hand, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group is required to measure the loss allowance for that financial instrument at an amount equal to the ECL within the next 12 months.

As at 30 June 2020, the directors of the Company reviewed and assessed the Group's existing financial assets for impairment using reasonable and supportable information. No ECL is required as a result of the assessment.

(vii) Leases (new policy applies from 1 July 2019 due to adoption of AASB 16)

Policy up to 30 June 2019

Leased assets

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at the inception of the lease and requires an assessment of whether the fulfilment of the arrangement is dependent on the specific asset or assets and the arrangement conveys a right to use the asset.

Operating Leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Payments made under operating leases are expensed in the profit or loss on a straight-line basis over the term of the lease.

Policy from 1 July 2019

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term (where the entity does not have a purchase option at the end of the lease term). Right-of-use assets are subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption (i.e. below \$5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(viii) *Trade and other payables*

Liabilities for trade creditors and other amounts are carried at amortised cost and represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year that are unpaid and arise when the consolidated entity becomes obliged to make future payments in respect of the purchase of these goods and services.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accruals basis.

(ix) *Foreign currency translation*

Both the functional and presentation currency of BARD1 Life Sciences Limited is Australian dollars (A\$).

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance date. All exchange differences in the consolidated financial report are taken to the profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the original transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The results of the Group's non-A\$ reporting subsidiary is translated into A\$ (presentation currency). Income and expenses are translated at the exchange rates at the date of the transactions. Assets and liabilities are translated at the closing exchange rate for each balance sheet date. Share capital, reserves and accumulated losses are converted at applicable historical rates. Exchange variations resulting from the translation are recognised in the foreign currency translation reserve in equity. On consolidation, exchange differences arising from the translation of monetary items considered to be part of the net investment in subsidiaries are taken to the foreign currency translation reserve. If a subsidiary were sold, the proportionate share of the foreign currency translation reserve would be transferred out of equity and recognised in the statement of comprehensive income.

(x) *Employee benefits*

Liabilities arising in respect of wages and salaries, annual leave and any other employee entitlements expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates expected to be paid when the liability is settled. All other employee entitlement liabilities such as long service leave are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the interest rates attaching to high quality corporate bonds that have terms to maturity approximating the terms of the related liability are used. Contributions made by the Group to employee superannuation funds, which are defined contribution plans, are charged as an expense when incurred.

(xi) *Provisions*

A provision is recognised when a legal or constructive obligation exists as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the consolidated entity expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(xii) *Cash and cash equivalents*

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(xiii) *Issued Capital*

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity, net of tax, as a reduction of the proceeds received.

(xiv) *Earnings Per Share*

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to members of the Company for the reporting period, after excluding any costs of servicing equity (other than dividends on ordinary shares), by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and other non-discretionary changes in revenues and expenses that would result from the dilution of potential ordinary shares, by the weighted average number of ordinary shares and dilutive potential ordinary shares of the Company adjusted for any bonus issue.

(xv) *Judgements in applying accounting policies and key sources of estimation uncertainty*

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 and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which key estimates and assumptions that have the most significant impact on the financial statements. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Significant judgement

Research and development expenditure

Determination of whether expenditure during the period satisfies the criteria under the Group's accounting policy for recognition as development expenditure is a significant judgement applied by the Group. During the current period, no expenditure was considered to meet the criteria to be recognised as a development asset and all expenditure was therefore expensed as incurred. The total research and development expense incurred for the year was \$515,339 (2019: \$576,738).

Significant accounting estimates and assumptions

The carrying value of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are outlined below.

Share-based payments

The company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they were granted. The fair value of the options is determined using a Black-Scholes model, with all key assumptions detailed in note 15. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amount of assets and liabilities with the next annual reporting period but may impact expenses and equity.

Deferred tax assets

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will comply with relevant tax legislation and will generate sufficient taxable profit in future years in order to recognise and utilise those deferred tax assets. Estimates of future taxable profit are based on forecast cash flows from operations and existing tax laws in each jurisdiction. These assessments require the use of estimates and assumptions such as the operating performance over the life of the assets.

At 30 June 2020, the Group has estimated net deferred tax assets of \$2,852,497 attributable to tax losses and net timing differences (2019: \$2,206,536) which have not been recognised. A tax benefit will only be recognised to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered.

(xvi) *Research and Development*

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

(xvii) *Share-based payments*

Share-based payments employees (including directors and executives) and to non-employees in the form of share-based payment transactions. Employees render services in exchange for shares or rights over shares ("equity settled transactions").

The cost of these equity settled transactions with employees are measured by reference to the fair value at the date at which they are granted. The cost of equity settled transactions with non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of both employee and non-employee equity settled transactions is determined using a Black Scholes model.

The cost of employee equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

(xviii) *Current versus non-current classification*

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

(xix) **Business Combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of AASB 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with AASB 9. Other contingent consideration that is not within the scope of AASB 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3. OTHER INCOME AND EXPENSES

Other income

Interest received

Other income

Research and development incentive received*

Consolidated Group	
For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
98,385	8,731
71,000	50,188
169,385	58,919
464,101	520,798

*The research and development incentive is recognised when there is reasonable assurance of receipt. The incentive for the 2020 financial year has not been accrued as the Company is in the process of finalising the claim amount and the application has not been lodged.

Expenses

Research and development expenses

Business Combination expenses*

Patent expenses

515,339	576,738
996,128	-
169,558	137,023

Employee benefits**	1,223,252	791,549
Administrative Costs		
Consulting and legal fees	277,208	317,767
Rental expenses	7,464	14,102
Share registry fees	38,771	56,310
Other administration expenses	369,359	355,710
	692,802	743,889

* Business combination expenses relates to costs associated to the Sienna transaction as further disclosed in note 19. The transaction is considered as a business combination with Bard1 identified as the accounting acquirer. As a result, all transaction related costs incurred to 30 June 2020 have been expensed in accordance to the Group's accounting policies.

**Increase due to employment of new scientific staff, extending the BARD1 CSO's contract to full-time, additional fees for new directors, and payment/accrual of CEO short term incentive.

4. INCOME TAX

Consolidated Group	
For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$

- (a) Major components of income tax expense for the periods presented are:

Statement of comprehensive income

Current income tax charge	-	-
Deferred income tax	-	-
Income tax expense reported in the Statement of Comprehensive Income	-	-

- (b) A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the periods ended 30 June 2020 and 30 June 2019 is as follows:

Accounting loss before tax	(3,253,553)	(1,717,273)
At statutory income tax rate of 30% (2019: 30%)	(976,066)	(515,182)
Adjustment for difference in tax rates	(955)	606
Adjustments due to permanent and timing differences	331,061	(56,367)
Deferred tax assets not brought to account	645,961	570,943
Income tax expense reported in the Statement of Comprehensive Income	-	-
Deferred tax assets		
Capital raising costs	118,154	198,089
Accruals	82,577	62,869
Provision for employee entitlements	30,080	19,244
Impairment of financial assets	712,138	712,138
Unutilised tax losses	2,849,141	2,203,180
Potential benefit at relevant income tax rate	3,792,090	3,195,520

Deferred tax assets have not been brought to account at 30 June 2020 because the directors do not believe it is appropriate to regard realisation of the future tax benefit as probable. These benefits will only be obtained if:

- the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;
- the Consolidated Entity complies with the conditions for the deductibility imposed by law including the continuity of ownership and/or business tests; and
- no changes in tax legislation adversely affect the Consolidated Entity in realising the benefit from the deduction for the loss.

Current

Other receivables relate mainly to GST receivable. There are no receivables that are past the payment terms, and all receivables are current. The fair value is approximately the same as the carrying value.

Consolidated Group	
For the year Ended 30 June 2020	For the year Ended 30 June 2019
\$	\$

Trade and other payables are generally unsecured, interest free and on 30 day terms.

a) **Current**
Annual Leave
Long Service Leave

69,821	35,488
7,254	-
<u>77,075</u>	<u>35,488</u>

23,191	28,658
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(a) Issued and paid up capital

	For the year ended 30 June 2020		For the year ended 30 June 2019	
	Number of shares	\$	Number of shares	\$
At the beginning of the period	1,242,985,172	16,980,108	828,662,397	9,298,385
Issue of shares	124,289,854	2,485,797	414,232,775	8,285,747
Less: Transaction costs	-	(179,020)	-	(604,024)
At the end of the period	1,367,185,026	19,286,885	1,242,895,172	16,980,108

(b) Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared, and, in the event of the winding up of the Company, to participate in the proceeds from the sale of surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company

Performance Shares

Performance shares have no right to receive dividends. Each Performance Share will convert into one Share upon the announcement by the ASX of the following prior to the Expiry Date:

- the clinical trial of the blood test developed by BARD1AG S.A. for the detection of lung cancer (BBLC Test) has been completed;
- the clinical trial involved at least 2,000 participants, and returned a detection rate greater than 80%, and false positive results of less than 20%; and
- the results of the clinical trial provide statistically significant evidence that the BBLC Test provides an outcome equal or superior to the current "gold standard" CT Scan, which has a detection rate of less than 80%, and returns false positive results of more than 20% ("Milestone")

Performance Shares expire on 9 June 2021, being 5 years from the date of issue and were escrowed for 2 years from the date the Company received re-admission to the Official List of ASX. As announced on 20 June 2018, these shares were released from Escrow.

If the Milestone is not met by 5.00pm on the Expiry Date the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert all of the Performance Shares on issue into a single ordinary share.

Performance Shares are not transferrable.

Performance Shareholders shall have no right to vote, subject to the Corporations Act or any right to participate in new issues of Capital offered to holders of ordinary shares.

The Performance Shares are unquoted. No application for quotation of the Performance Shares will be made by the Company. All Performance Shares on issue are unvested at 30 June 2020.

(c) Capital management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain an optimal capital structure, the Group may issue new shares or reduce its capital, subject to the provision of the Company's Constitution and any relevant regulatory requirements. The capital structure of the Group consists of equity attributed to equity holders as disclosed in the statement of financial position. The Board monitors the need to raise additional equity from the markets based on its ongoing review of the Group's actual and forecast cash flows prepared by management.

9. RESERVES

Distribution reserve*
Foreign currency translation reserve
Share based payment reserve

Consolidated Group	
30 June 2020	30 June 2019
\$	\$
(309,421)	(309,421)
(62,905)	(56,018)
388,734	94,636
(16,408)	(270,803)

Foreign currency translation reserve **

Balance at beginning of year
Foreign currency translation
Balance at the end of the year

(56,018)	(42,719)
(6,887)	(13,299)
(62,905)	(56,018)

Share based payment reserve***

Balance at beginning of year
Reversal of option expense recognised in prior year
Fair value of options granted
Balance at end of year

94,636	41,595
(86,436)	-
380,534	53,041
388,734	94,636

- * The distribution reserve is used to record the accounting to BARD1AG SA shareholders as part of the transaction to acquire BARD1 Life Sciences Limited.
- ** The foreign currency translation reserve is used to record the translation of the results of non-A\$ subsidiaries from their functional currency to the Group's presentation currency.
- *** The share based payment reserve is used to record the fair value of equity instruments issued to employees, directors and contractors.

10. ACCUMULATED LOSSES

	Consolidated Group	
	For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
Balance at the beginning of the year	(9,574,626)	(7,857,353)
Net loss attributable to members	(3,253,553)	(1,717,273)
	(12,828,179)	(9,574,626)

11. CASH AND CASH EQUIVALENTS

	Consolidated Group	
	For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
Cash and cash equivalents comprise cash at bank.	7,326,861	7,556,661
Net loss after income tax	(3,253,553)	(1,717,273)
Profit on sale of investments held for sale		-
Share based payments expense	294,098	53,041
Fair value adjustment on investments classified as held for trading	-	32
Foreign exchange movement	(4,138)	(5,282)
<i>Changes in Assets & Liabilities:</i>		
(Increase)/decrease in receivables	39,901	(57,813)
Increase/(decrease) in payables	368,400	181,479
Increase/(decrease) in provisions	36,120	(20,292)
Increase/(decrease) in prepayments	(17,405)	(4,611)
Net cash used in operating activities	(2,536,577)	(1,570,719)

12. SEGMENT INFORMATION

For management purposes, the Group is organised into one main operating segment, being the research and development of diagnostics for detection of various cancers. The chief operating decision makers of the Group are the Chief Executive Officer and Chief Scientific Officer.

All the Group's activities are interconnected and all significant operating decisions are based on analysis of the Group as one segment. The financial results of the segment are the equivalent of the financial statements as a whole. At 30 June 2020, all revenues and material assets are considered to be derived and held in one geographical area being Australia.

13. LOSS PER SHARE

Basic loss per share amounts are calculated by dividing net loss for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period adjusted by any bonus issue.

Diluted loss per share amounts are calculated by dividing the net loss attributable to ordinary equity holders of the parent adjusted for the weighted average number of ordinary shares and dilutive potential ordinary shares of the Company adjusted by any bonus issue.

The following reflects the income and share data used in the basic and diluted earnings per share computations

	Consolidated Group	
	For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
Net Loss used in calculating basic and diluted EPS	(3,253,553)	(1,717,273)
Weighted average number of ordinary shares for basic loss per share	1,363,439,304	1,012,472,973
Effect of dilution*: Share options and performance shares	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	1,363,439,304	1,012,472,973
Basic and diluted loss per share (cents per share) for the year attributable to members of BARD1 Life Sciences Limited	(0.24)	(0.14)

* At 30 June 2020, the Company had on issue 217,003,236 (2019: 217,003,236) performance shares, and 17,000,000 options (2019: 2,000,000). Given the Group made a loss during the current financial year, these potential shares are considered non-dilutive and therefore not included in the diluted EPS calculation.

14. DIRECTORS & KEY MANAGEMENT PERSONNEL

(a) Compensation by Category: Key Management Personnel

	Consolidated Group	
	For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
Short-term employee benefits	862,467	610,686
Post-employment benefits	43,123	26,801
Share based payments	294,098	53,041
Other long term benefits	1,486	8,750
	1,201,174	699,278

Key management personnel are those directly accountable and responsible for the operational management and strategic direction of the Company and the consolidated entity. The Key Management Personnel during the year were:

- Peter Gunzburg (appointed 24 September 2001 and Resigned 28 July 2020)
- Dr Irmgard Irminger Finger (appointed 16 June 2016)
- Dr Leeearne Hinch (appointed 7 November 2016)
- Max Johnston (appointed 17 June 2019)
- Philip Powell (appointed 17 June 2019)
- Allan Cripps (appointed 23 January 2020)

Refer to the subsequent event note and the remuneration report for changes of the key management personnel after the reporting date and before the date the financial report was authorised for issue.

(b) Options granted to Key Management Personnel

During the 2020 financial year, the Company issued 15,000,000 CEO Options to Dr Leeearne Hinch pursuant to the Company's Incentive Option Plan, details of the options are set out in Note 15.

There were no options granted to Key Management Personnel during the 2019 financial year.

(c) Loans to/ amounts owed to Key Management Personnel

There were no loans to KMP or amounts owed to KMP's at 30 June 2020 (2019: nil).

15. SHARE BASED PAYMENTS

For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
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(a) Recognised share based payment transactions

Share based payment transactions recognised as operating expenses in the statement of comprehensive income during the financial years were as follows:

(Reversal)/Expenses associated to options to be issued ⁽¹⁾	(86,436)	53,041
Expenses associated to options issued ⁽²⁾	380,534	-
	294,098	53,041

(i) Reversal of option grant expense in the prior year

In the prior year, 5 million options were to be issued, subject to shareholder approval to Dr Leeearne Hinch. During the financial period, it was agreed that these options were not to be issued. This resulted in the prior year expense being reversed in the current period.

(ii) Options grant expense for options issued during the year

During the 2020 financial year, the Company issued 15,000,000 CEO Options to Dr Leeearne Hinch pursuant to the Company's Incentive Option Plan, in consideration for services provided by Dr Hinch in her role as Chief Executive Officer of the Company. The CEO Options consist of:

- 10,000,000 CEO Options (Tranche 1) issued on 4 October 2019 exercisable at \$0.035 each on or before 4 October 2023; and
- 5,000,000 CEO Options (Tranche 2) issued on 20 November 2019 exercisable at \$0.062 each on or before 20 November 2023.

The Options are exercisable from the time of issue of that Tranche of Options until they automatically lapse upon the earlier of:

- 4 years after the date of issue of that tranche; or
- 3 months after such date when Dr Hinch no longer holds any position of employment within the Company's corporate group.

These options were vested on issue and 100% of their fair value at the grant date were recognised as operating expenses in the current period. The assessed fair value of the options were determined using a Black Scholes model, taking into account the exercise price, term of option, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the option. The following assumptions were used in the estimation:

OPTIONS – L HINCH			
	2020 Tranche 1	2020 Tranche 2	2019
Number of options	10,000,000	5,000,000	5,000,000
Grant date	27/09/2019	27/09/2019	*
Risk free interest rate	0.92%	0.1%	1.03%
Company share price	\$0.041	\$0.034	\$0.029
Expected volatility	100%	100%	100%
Option exercise price	\$0.035	\$0.062	\$0.05
Option duration	4 years	4 years	4 years

*Options ultimately not issued with expense taken up in prior years reversed in 2020.

For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
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16. AUDITORS' REMUNERATION

Amounts received or due and receivable by Ernst & Young Australia for:

- Auditing the statutory financial report of the Parent company of the Group and auditing the statutory financial reports of any controlled entity	55,704	45,758
- Other services - Financial due diligence with regards to Scheme of Arrangement with Sienna Cancer Diagnostics Ltd	122,705	-
	178,409	45,758

17. RELATED PARTY DISCLOSURES

Other related party transactions

(a) Wholly Owned Group Transactions

Details of interests in controlled entities are set out in Note 8. Details of dealings are set out below.

(b) Ultimate Parent Company

BARD1 Life Sciences Limited is the ultimate legal Australian holding Company.

(c) Transactions with Other Related Parties

The Company does not have any transactions with other related parties.

18. CONTROLLED ENTITIES

Consolidated entities of BARD1 Life Sciences Limited	Country of Incorporation	Equity Interest held %	
		30 June 2020	30 June 2019
BARD1AG SA	Switzerland	100	100

19. EVENTS SUBSEQUENT TO BALANCE DATE

On 8 April 2020, BARD1 entered into a merger implementation agreement (MIA) with Sienna Cancer Diagnostics Limited under which BARD1 would acquire 100% of the issued share capital in Sienna under a scheme of arrangement (Scheme).

On 15 July 2020, Sienna Shareholders approved the Scheme. On 20 July 2020, the Federal Court of Australia approved the Scheme in relation to the proposed acquisition by BARD1 of all the shares in Sienna and the court order was lodged with the Australian Securities and Investments Commission, making the Scheme legally effective.

On 28 July 2020, the Scheme was implemented under which Sienna shareholders received 13 new fully paid ordinary shares in BARD1 for every 5 fully paid ordinary shares held in Sienna at 7pm on 23 July 2020. A total of 1,027,345,358 shares were issued to Sienna shareholders. As part of the Scheme, all fully paid ordinary shares in Sienna were transferred to BARD1 and Sienna is now a wholly owned subsidiary of BARD1 and was removed from the official list of ASX Limited.

As part of the Scheme a total of 36,495,332 options in the Company were issued as replacement options to holders of options in Sienna. Details of the options issued are:

Number	Exercise Price	Expiry Date
1,300,000	\$0.096	02-Aug-21
2,574,000	\$0.096	21-Sep-21
4,333,332	\$0.093	01-Apr-22
7,540,000	\$0.020	28-Jul-25
3,120,000	\$0.048	03-May-23
4,680,000	\$0.040	15-Nov-23
6,500,000	\$0.039	04-Dec-23
3,848,000	\$0.027	02-Jul-24
2,600,000	\$0.017	06-Feb-25

A further 1,300,000 options exercisable at \$0.027 expiring on 2 July 2024 are expected to be issued in due course.

Board and Management appointments associated with the Scheme have been disclosed in prior sections of the Report.

Due to the proximity of the transaction to the reporting date, the initial accounting for the business combination is incomplete at the time the Group's financial statements were authorised for issue. Accordingly, details of the effect of the business combination have not been disclosed.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not impacted financially on the Company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

At the date of this report, other than that outlined above, there have been no matters or circumstances that have arisen since the end of the period which significantly, or may significantly effect:

- The consolidated entity's operations in future years;
- The results of those operations in future years; or
- The consolidated entity's state of affairs in future years.

20. PARENT ENTITY

Information relating to Bard1 Life Sciences Limited	For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
Current assets	7,368,099	7,620,885
Total assets	7,368,099	7,620,885
Current liabilities	753,920	293,386
Non-current liabilities	30,445	-
Total liabilities	784,365	293,386
Issued capital	81,386,449	79,079,673
Accumulated losses	(75,191,448)	(71,892,485)
Reserves	388,734	140,312
Total shareholders' equity	6,583,735	7,327,500
Loss of the parent entity	(3,287,152)	(1,679,071)
Total comprehensive loss of the parent entity	(3,287,152)	(1,679,071)

Refer to note 22 for disclosure of any contingent asset and liabilities of the parent entity.

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Financial Risk Management Objectives & Policies

The Group's principal financial instruments comprise cash, equity instruments.

The main purpose of these financial instruments is to raise finance for the Group operations. The Group has various other financial assets and liabilities such as receivables and payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk, equity price risk, foreign currency risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Chairman is responsible for managing the risks associated with the Group's financial investments and reporting to the board of directors. The board reviews and agrees policies for managing each of these risks as summarised below:

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

(b) Interest Rate Risk - Consolidated

The consolidated entity's exposure to interest rate risks and the effective interest rates of financial assets (excluding investments in controlled entities and associates) and financial liabilities are as follows:

Financial Instrument	Floating Interest Rate		Non-Bearing Bearing		Total	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$	\$	\$	\$	\$	\$
(i) Financial Assets						
Cash and cash equivalents	7,326,861	7,556,661	-	-	7,326,861	7,556,661
Receivables	-	-	21,375	61,278	21,375	61,278
Total financial assets	7,326,861	7,556,661	21,375	61,278	7,348,236	7,617,939
(ii) Financial Liabilities						
Trade and other payables	-	-	798,856	427,709	798,856	427,709
Total financial liabilities	-	-	798,856	427,709	798,856	427,709

A reasonably possible change in interest rates would not have a material impact on the financial position or performance of the consolidated entity.

(c) Fair values

The carrying amount of financial assets and financial liabilities recorded in the financial statements at amortised cost materially approximates their respective fair values.

(d) Credit Risk Exposures

The consolidated entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the carrying amount, net of any allowance for expected credit loss, of those assets as indicated in the statement of financial position.

Concentration of Credit Risk

The consolidated entity is not materially exposed to any individual overseas country or individual customer. The company's cash at banks are with reputable financial institutes with AA and above credit ratings. The majority of the cash balance at year end is held with one reputable bank in Australia and therefore the expected credit loss on the bank balances is negligible.

(e) Liquidity Risk

Liquidity risk arises from the financial liabilities of the consolidated entity and the subsequent ability to meet the obligations to repay the financial liabilities as and when they fall due. The consolidated entity's objective is to maintain consistency of funding via the raising of equity or short term loans as and when required. The contractual maturity analysis of trade payables is set out in note 6. All liabilities are contractually due and payable in the next six months.

(f) Foreign currency risk

The functional currency of the parent entity is Australian dollars, however the 100% owned subsidiary, BARD1AG operates in Switzerland, which exposes the Group to foreign exchange risk arising from fluctuations of the Australian dollar against the Swiss Franc.

The exposure to risks is measured using sensitivity analysis and cash flow forecasting.

The Group has not formalised a foreign currency risk management policy however, it monitors its foreign currency expenditure in light of exchange rate movements. The Group does not have any further material foreign currency dealings other than the noted currencies.

The Group's exposure to foreign currency risk at the reporting date, expressed in Australian Dollars as follows:

	For the year ended 30 June 2020 \$	For the year ended 30 June 2019 \$
Financial assets		
Cash and cash equivalents	1,879	5,123
Total financial assets	1,879	5,123
Financial liabilities		
Trade and other payables	114,758	198,468
Total financial liabilities	114,758	198,468

The following conversion rates were used at the end of the financial year:

AUD/CHF: 1.5242 (2019: 1.404)

For all periods presented, the Group did not enter into or hold any foreign exchange derivatives. Given the immaterial exposure, a reasonably possible change in foreign exchange rates would not have a material impact on the financial position or performance of the consolidated entity.

22. CONTINGENT LIABILITY

The Company has guaranteed the payment of a royalty by Saulyak Limited Liability Company based on gold output from the Saulyak Gold Project which was disposed of by the Company on 10 July 2007. The royalty is up to 2% net smelter royalty per ounce of gold produced from the Saulyak Gold Project payable only in respect of ounces of gold produced over 750,000 ounces in total. Gold production from the Saulyak Gold Project has not yet commenced with the current owners of the project yet to secure a mining licence. At the time of the sale of the project by the Company total reserves identified at the project were not in excess of 750,000 ounces.

The Company is not aware of any other contingent liabilities as at 30 June 2020

The Directors' of the Company declare that:

- 1) In the opinion of the directors:

the financial statements, notes and additional disclosures included in the directors' report designated as audited, of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standards and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2020 and of its performance for the year ended on that date;
- 2) The financial report also complies with International Financial Reporting Standards.
- 3) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 4) This declaration has been made after receiving the declarations required to be made to the Directors' in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2020.

This declaration is made in accordance with a resolution of the Board of Directors signed on 24 August 2020.



Dr Geoffrey Cumming
Non-Executive Chairman
Dated 24 August 2020

OVERVIEW

The Board of BARD1 is responsible for the corporate governance of the Group and guides and monitors the business on behalf of its shareholders. The Board has strived to reach a balance between industry best practice and appropriate policies for BARD1 in terms of its size, stage of development and role in the biotechnology industry. BARD1 performed a review of its Board policies and governance practices with reference to the eight Principles of Good Corporate Governance (Principles) and the Best Practice Recommendations (Recommendations) established by the ASX Corporate Governance Council. The Recommendations are not mandatory and cannot, in themselves, prevent corporate failure or poor corporate decision-making. They are intended to provide a reference point for companies regarding their corporate governance structures and practices.

The Directors have considered each of the core Principles and Recommendations applicable for the year ended 30 June 2020. There are instances where the Group would not benefit from compliance with the Recommendations, and in some instances the Group has not had the resources to comply. The Recommendations that were not adopted are discussed in the Corporate Governance Statement located on the Company's website.

BARD1's Corporate Governance Statement, which summarises the Group's corporate governance practices and incorporates the disclosures required by the ASX Principles, can be viewed on the Company's website at www.bard1.com/investors/corporate-governance/.

Additional information as required by the Australian Securities Exchange and not shown elsewhere in this Report is as follows. The information is current as at 13 August 2020.

The distribution of ordinary fully paid shares in the Company is as follows:

Range of Units as of 13 August 2020

Range	Total holders	Units	% Units
1 - 1,000	125	31,911	0.00
1,001 - 5,000	130	361,727	0.02
5,001 - 10,000	106	900,434	0.04
10,001 - 100,000	1,778	81,171,957	3.39
100,001 Over	1,527	2,312,064,355	96.56
Rounding			-0.01
Total	3,666	2,394,530,384	100.00

Unmarketable Parcels

Minimum Parcel Size	Holders	Units
Minimum \$ 500.00 parcel at \$ 0.0320 per unit	15,625	546
		3,717,696

Number of Securities on Issue

The following equity securities were on issue as at 13 August 2020

- 2,394,530,384 fully paid ordinary shares

Top 20 Shareholders as of 13 August 2020

Rank	Name	Units	% Units
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	210,205,341	8.78
2	THE TRUST COMPANY AUSTRALIA LIMITED <MOF A/C>	204,000,000	8.52
3	MOGGS CREEK PTY LTD <MOGGS CREEK SUPER FUND A/C>	130,790,000	5.46
4	DR IRMGARD IRMINGER-FINGER	123,600,000	5.16
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	44,247,405	1.85
6	CITICORP NOMINEES PTY LIMITED	42,749,162	1.79
7	TRAOJ PTY LTD <TRAOJ A/C>	36,087,995	1.51
8	DAVID NEATE	33,157,719	1.38
9	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	32,909,435	1.37
10	TONY WALKER	30,867,552	1.29
11	MR JOHN ANDREW RODGERS <JOHN RODGERS FAMILY A/C>	29,924,216	1.25
12	SUPERGUN PTY LTD <BRICKLANDING SUPER FUND A/C>	23,294,046	0.97
13	AJAVA HOLDINGS PTY LTD	23,000,000	0.96
14	WORLDWISE ENTERPRISES PTY LTD	16,705,954	0.70
15	NATHAN RYAN WAGNER	16,558,112	0.69
16	BARRIE ERNEST LAWS & MERRILYN FRANCES LAWS <B&M LAWS FUND A/C>	15,600,000	0.65
17	LYNNE MARIE WILKS	15,500,000	0.65
18	IFM PTY LIMITED <IFM SUPER FUND A/C>	15,166,666	0.63
19	RUSSELL KAY HANCOCK	15,000,000	0.63
20	PELAGYIA PTY LTD <CAPRICE SUPER FUND A/C>	13,840,000	0.58
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		1,072,255,940	44.78

The portion of shares held by the 20 largest shareholders in the Company is 44.78%.

Voting Rights

In accordance with the Company's Constitution, voting rights of ordinary shares are on a show of hands whereby each member present in person (or representing a corporation who is a member) shall have one vote and upon a poll, each share will have one vote.

Restricted Securities

As at the date of this report there are no restricted securities on issue.

Substantial Holders as at 13 August 2020

The substantial shareholders pursuant to the provisions of the Corporations Act and listed in the Company's register is as follows:

Rank	Name	Units	% Units
1	HSBC NOMINEES (AUSTRALIA) LIMITED	210,205,341	8.78
2	THE TRUST COMPANY AUSTRALIA LIMITED <MOF A/C>	204,000,000	8.52
3	MOGGS CREEK PTY LTD <MOGGS CREEK SUPER A/C>	130,790,000	5.46
4	DR IRMGARD IRMINGER-FINGER	122,652,337	5.12

Unlisted Equity Securities as at 24 August 2020

Option Ranges and Number of Holders				
	Unlisted options At \$0.096 Expiring 2 Aug 2021	Unlisted options At \$0.096 Expiring 21 Sept 2021	Unlisted options At \$0.0128 Expiring 20 Feb 2022 ⁽¹⁾	Unlisted options At \$0.093 Expiring 1 April 2022
Over 100,001	2	3	1	1
Total Holders	2	3	1	1
Number of Options	1,300,000	2,574,000	2,000,000	4,333,332
	Unlisted options At \$0.048 Expiring 3 May 2023	Unlisted options At \$0.035 Expiring 4 Oct 2023	Unlisted options At \$0.04 Expiring 15 Nov 2023	Unlisted options At \$0.062 Expiring 20 Nov 2023
Over 100,001	4	1	4	1
Total Holders	4	1	4	1
Number of Options	3,120,000	10,000,000	4,680,000	5,000,000
	Unlisted options At \$0.039 Expiring 4 Dec 2023	Unlisted options At \$0.027 Expiring 2 Jul 2024	Unlisted options At \$0.017 Expiring 6 Feb 2025	Unlisted options At \$0.020 Expiring 28 Jul 2025
Over 100,001	1	3	3	1
Total Holders	1	3	3	1
Number of Options	6,500,000	3,848,000	2,600,000	7,540,000

⁽¹⁾ Options Held by Dr James under Advisory Board Consultancy Agreement.

All other options issues pursuant to an Employee Incentive Scheme

Voting Rights

In accordance with the Company's Constitution, Options do not hold any voting rights.



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Independent auditor's report to the members of BARD1 Life Sciences Limited

Report on the audit of the Financial Report

Opinion

We have audited the financial report of BARD1 Life Sciences Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors declaration.

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

- a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2020 and of its consolidated financial performance for the year ended on that date; and
- b) 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 judgment, were of most significance in our audit of the financial report of the current year. We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Report and Auditor's Report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2020 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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 Group's ability to continue as a going concern, disclosing, as applicable, matters relating 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 have 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 17 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of BARD1 Life Sciences Limited for the year ended 30 June 2020, complies with section 300A of the *Corporations Act 2001*.



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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.

Ernst & Young

Ernst & Young

V L Hoang
Partner
Perth
24 August 2020