



# Factor Therapeutics Limited

## Appendix 4D and Financial Report

### For half-year ended 30 June 2021

ABN: 45 101 955 088

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## RESULTS FOR ANNOUNCEMENT TO THE MARKET

### Summary of Financial Information

Extracts from this report for announcement to the market:

	6-months to 30-Jun-21 \$	6-months to 30-Jun-20 \$	Movement \$	Movement %
Revenue/income from continuing operations	(1,513)	668,611	(667,098)	(99%)
Profit / (Loss) after income tax for the half-year attributable to members	(184,503)	627,348	(811,851)	(77%)
Total comprehensive income for the half- year attributable to members	(184,503)	627,348	(811,851)	(77%)

### NTA backing

	30-Jun-21 Cents	30-Jun-20 Cents
Net tangible asset backing per ordinary security	0.29	0.34

### Dividends

No dividends were paid or declared since the start of the financial period. No recommendation for payment of dividends has been made.

### Highlights of Results

Refer to the Directors' Report.

## DIRECTORS' REPORT

Your Directors present their report on Factor Therapeutics Limited ("Company" or "Factor") for the half-year ended 30 June 2021.

### DIRECTORS

The names of Directors in office during the half-year and up to the date of this report are set out below. Directors were in office for the entire period unless otherwise stated.

Dr David Brookes	Non-Executive Director
Mr John Michailidis	Non-Executive Director
Ms Melanie Farris	Non-Executive Director (effective 1 June 2021)
Dr Christian Behrenbruch	Non-Executive Director (retired from the Board 28 May 2021)

### REVIEW OF RESULTS

The loss attributable to the owners of the Company for the half-year ended 30 June 2021 was (\$184,503) (2020: Profit \$627,348). No dividend was proposed or paid during the period.

### REVIEW OF OPERATIONS

Following the receipt (in November 2018) of negative clinical trial results for the Company's previous lead asset (VF001), the activities of the Board have been directed to the identification and diligence of potential new business opportunities for the Company.

On 24 July 2020, ASX determined that the securities of the Company would be suspended from quotation and that, following any approval by Shareholders of a commercial transaction, ASX would exercise its discretions under Listing Rule 11.1.3 to require the Company to re-comply with Chapters 1 and 2 of the Listing Rules. Re-compliance with Chapters 1 and 2 of the Listing Rules will involve, amongst other things, the Company having a "structure and operations that are appropriate for a listed entity".

On 25 January 2021, the Company appointed Taylor Collison Limited as a Corporate Advisor to assist in introducing commercial opportunities.

In March 2021, the Company commenced negotiations with PowerLime, Inc. (PowerLime), a company associated with the Apollo Group (Apollo). Apollo is an investment and management group with more than 20 years of success in the natural resources sector.

On 20 April 2021, the Company announced it had entered into a non-binding term sheet for the acquisition of PowerLime, Inc. and its assets ("PowerLime"). PowerLime holds an option under an Option Agreement to acquire a land parcel located in Early County, south Georgia, USA to explore and develop an advanced high calcium limestone project.

The term sheet remained subject to completion of satisfactory due diligence by both parties, necessary regulatory approvals and receipt by the Company of in-principle advice from ASX.

In-principle advice was subsequently received from ASX. The advice noted that, on the basis of the Company's application, ASX was not aware of any reasons that would cause the Company not to have a structure and operations suitable for a listed entity for the purposes of Listing Rule 1.1 condition 1, or that would cause ASX to exercise its discretion to refuse re-admission to the official list under Listing Rule 1.19.

ASX had advised that the receipt of the in-principle advice was not a guarantee that the Company will be re-admitted to the official list. The Company was still required to meet all of the requirements for re-admission and re-quotation set out in Chapters 1 and 2 of the Listing Rules to ASX's satisfaction. As is customary, ASX retained its absolute discretion under Listing Rule 1.19 not to admit the Company to the official list.

On the basis of the in-principle advice received, the Company and PowerLime focussed on meeting the terms of the non-binding term sheet – which included completing relevant due diligence activities and negotiating final transaction documents.

On 26 July 2021, the Company and PowerLime entered into a conditional Share Purchase Agreement for the acquisition of PowerLime. See 'Events after the Reporting Period' for further detail.

## CHANGES TO ISSUED CAPITAL

There were no changes to issued capital during the half-year to 30 June 2021.

## TOTAL NUMBER OF SHARES AND OPTIONS ON ISSUE

	At 30 June 2021	At the date of this report
Fully paid ordinary shares	1,042,835,633	1,042,835,633
Unlisted share options	2,250,000	2,250,000

## EVENTS AFTER THE REPORTING PERIOD

On 26 July 2021, the Company announced that it had entered into a conditional Share Purchase Agreement (SPA) with PowerLime and the PowerLime shareholders, to acquire all issued shares in PowerLime.

The Company noted that the transaction, which would result in a significant change in the nature and scale of the Company's activities away from life sciences and into the resources sector, was conditional upon (amongst other things) the Company obtaining the approval of Shareholders.

### Consideration

The Company proposed to issue 187,500,000 shares to PowerLime's shareholders at A\$0.004 per share (on a pre-Consolidation basis) representing an acquisition value of A\$750,000. In addition the Company would issue 62,500,000 options to PowerLime shareholders and 46,875,000 options to the management team. Options would be exercisable at \$0.012 per option (on a pre-Consolidation basis) and have a four year term. In accordance with Appendix 9B of ASX Listing Rules, securities issued as consideration for the transaction would be subject to a mandatory restriction period of 24 months.

### Second Option Payment

Under the PowerLime Option Agreement, a second option payment was payable by on or before 31 July 2021 in order to purchase the real property located in South Georgia, USA. In accordance with the SPA, the Company would advance US\$150,000 for the second option payment. In the event the SPA was terminated prior to financial close of the transaction, and such termination was not a result of the Company materially breaching the SPA, or failing to obtain Shareholder approval to effect the transaction, PowerLime would repay the second option payment amount to the Company, or the PowerLime Shareholders would otherwise be required to transfer ownership of their PowerLime shares to the Company.

The Company noted that as a result of the transaction, it proposed to change its name to 'Dominion Minerals Limited' and its ASX code to 'DLM'.

The Company announced that, following financial close of the transaction, the Company would seek reinstatement to official quotation of the Company's shares on the ASX and would undertake a A\$4M capital raise at an offer price of A\$0.004 (on a pre-Consolidation basis) under a Prospectus.

The Company noted that the indicative timetable saw an Extraordinary General Meeting of Shareholders in September 2021, to be followed by the capital raise under Prospectus and submission of relisting application during September and October 2021.

The Company is currently preparing an EGM Notice of Meeting. At the date of this Report, the Resolutions to be put to Shareholders at the EGM remain subject to finalisation and approval.

Other than those noted above, there have been no other significant events after the Balance Date as at the date of this Report.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The auditor's independence declaration under section 307C of the Corporations Act 2001 is attached to this Directors' Report for the half-year ended 30 June 2021.

Signed in accordance with a resolution of the Board of Directors.



Dr David Brookes  
**CHAIRMAN**

Brisbane, 28 July 2021

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

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

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

*PKF*

PKF BRISBANE AUDIT



LIAM MURPHY  
PARTNER

28 JULY 2021  
BRISBANE

## HALF-YEAR FINANCIAL STATEMENTS

### Statement of Profit or Loss and Other Comprehensive Income For the Half-Year Ended 30 June 2021

	Note	6 months to 30-Jun-21 \$	6 months to 30-Jun-20 \$
<b>Continuing operations</b>			
R&D tax rebate	2(a)	-	665,817
Interest received		1,513	2,794
Total revenue		1,513	668,611
Other income	2(b)	-	15,000
<b>R&amp;D expenses</b>			
- Clinical trial (expenses) / income	2(c)	51,936	187,615
- Intellectual property		-	(3,922)
<b>Corporate and Administration expenses</b>			
- Directors fees		(111,257)	(71,798)
- Consultants		(22,973)	(27,050)
- Administration and compliance expense		(103,387)	(145,337)
- Share-based payment expense		-	(1,782)
- Gains/(Losses) on foreign exchange		(335)	6,011
<b>Profit/ (Loss) before income tax expense</b>		<b>(184,503)</b>	<b>627,348</b>
Income tax benefit		-	-
<b>Net profit/ (loss) after tax</b>		<b>(184,503)</b>	<b>627,348</b>
<b>Other comprehensive income items</b>			
Items that may be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		-	-
<b>Total comprehensive income for the period</b>		<b>(184,503)</b>	<b>627,348</b>
Profit / (loss) attributable to members of the Company		<b>(184,503)</b>	<b>627,348</b>
Total comprehensive income attributable to members of the Company		<b>(184,503)</b>	<b>627,348</b>
<b>Earnings per share</b>			
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	9	<b>(0.02)</b>	0.06
Diluted earnings per share	9	<b>(0.02)</b>	0.06

The accompanying notes form part of these financial statements.

**Statement of Financial Position  
 As at 30 June 2021**

	Note	30-Jun-21 \$	31-Dec-20 \$
<b>Current assets</b>			
Cash and cash equivalents	4	3,077,210	3,199,739
Trade and other receivables		3,529	11,860
Other assets		13,183	45,150
<b>Total current assets</b>		<b>3,093,922</b>	<b>3,256,749</b>
<b>Non-current assets</b>			
Other non-current assets	5	49,793	-
<b>Total non-current assets</b>		<b>49,793</b>	<b>-</b>
<b>Total assets</b>		<b>3,143,715</b>	<b>3,256,749</b>
<b>Current liabilities</b>			
Trade and other payables	6	155,938	84,469
<b>Total current liabilities</b>		<b>155,938</b>	<b>84,469</b>
<b>Total liabilities</b>		<b>155,983</b>	<b>84,469</b>
<b>Net assets</b>		<b>2,987,777</b>	<b>3,172,280</b>
<b>Equity</b>			
Contributed equity	7	84,213,601	84,213,601
Reserves		59,338	126,790
Accumulated losses		(81,285,162)	(81,168,111)
<b>Total equity</b>		<b>2,987,777</b>	<b>3,172,280</b>

*The accompanying notes form part of these financial statements.*



**Statement of Changes in Equity  
 For the Half-Year Ended 30 June 2021**

	Share Capital \$	Option Reserve \$	Accumulated Losses \$	Total \$
<b>Total equity at 1 January 2021</b>	84,213,601	126,790	(81,168,111)	3,172,280
Comprehensive income:				
- Profit/ (Loss) for the period	-	-	(184,503)	(184,503)
Total comprehensive income for the period			(184,503)	(184,503)
Transactions with owners in their capacity as owners:				
- Option reserve lapsed/expired	-	(67,452)	67,452	-
Total transactions with owners		(67,452)	67,452	
<b>Total equity at 30 June 2021</b>	<b>84,213,601</b>	<b>59,338</b>	<b>(81,285,162)</b>	<b>2,987,777</b>
<b>Total equity at 1 January 2020</b>	84,213,601	208,181	(81,533,367)	2,888,415
Comprehensive income:				
- Profit/ (Loss) for the period	-	-	627,348	627,348
Total comprehensive income for the period	-	-	627,348	627,348
Transactions with owners in their capacity as owners:				
- Employee share options	-	1,782	-	1,782
Total transactions with owners	-	1,782	-	1,782
<b>Total equity at 30 June 2020</b>	<b>84,213,601</b>	<b>209,963</b>	<b>(80,906,019)</b>	<b>3,517,545</b>

*The accompanying notes form part of these financial statements.*

**Statement of Cash Flows**  
**For the Half-Year Ended 30 June 2021**

Note	6 months to 30-Jun-21 \$	6 months to 30-Jun-20 \$
<b>Cash flows related to operating activities</b>		
Receipts from customers	-	10,000
Payments to suppliers and employees	(94,195)	(261,406)
Interest received	1,513	2,794
R&D tax rebate received	-	665,817
Income tax received (paid)	-	-
<b>Net cash provided by/(used in) operating activities</b>	<b>(92,682)</b>	<b>417,205</b>
<b>Cash flows related to investing activities</b>		
Payments for PowerLime transaction	(29,793)	-
<b>Net cash provided by/(used in) investing activities</b>	<b>(29,793)</b>	<b>-</b>
<b>Cash flows related to financing activities</b>		
Proceeds from issues of shares and other equity securities	-	-
Cost of share issue	-	-
<b>Net cash provided by/(used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash held</b>	<b>(122,475)</b>	<b>417,205</b>
Cash and cash equivalents at beginning of period	3,199,739	3,038,810
Effects of exchange rate fluctuations on cash and cash equivalents	(54)	6,327
<b>Cash and cash equivalents at end of period</b>	<b>3,077,210</b>	<b>3,462,342</b>

*The accompanying notes form part of these financial statements.*

## Condensed Notes to the Financial Statements For the Half-Year Ended 30 June 2021

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements and notes represent those of Factor Therapeutics Limited ("Company"). Factor Therapeutics Limited is a public company incorporated and domiciled in Australia. The financial statements were authorised for issue on 28 July 2021 by the Directors of the Company.

#### Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 30 June 2021 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134 *Interim Financial Reporting*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This half-year financial report is intended to provide users with an update on the latest annual financial statements of the Company. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this half-year financial report be read in conjunction with the annual financial statements of the Company for the financial year ended 31 December 2020, together with any public announcements made during the half-year.

#### Accounting Policies

The same accounting policies and methods of computation have been followed in this half-year financial report as were applied in the most recent annual financial statements.

The Company has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

#### *Critical Accounting Estimates and Judgments*

All critical estimates and judgments are consistent with those applied and disclosed in the 31 December 2020 annual report.

#### Going Concern

As at 30 June 2021, the Company has recorded a current asset surplus of \$2,937,984 (31 December 2020: \$3,172,280), including cash and cash equivalents totalling \$3,077,210 (31 December 2020: \$3,199,739). For the half-year ended 30 June 2021, the Company recorded a net loss from continuing operations after tax of \$184,503 (30 June 2020: Profit \$627,348), and experienced net cash outflows from operating activities of \$92,682 (30 June 2020: net cash inflows of \$417,205).

On 26 July 2021, the Company announced that it had entered into a conditional Share Purchase Agreement (SPA) with PowerLime and the PowerLime shareholders, to acquire all issued shares in PowerLime. The Company noted that the transaction, which would result in a significant change in the nature and scale of the Company's activities away from life sciences and into the resources sector, was conditional upon (amongst other things) the Company obtaining the approval of Shareholders.

As part of the transaction and application to be readmitted to the official list of ASX, the Company is seeking to raise A\$4,000,000 by issuing up to 1,000,000,000 shares at an offer price of A\$0.004 (on a pre-Consolidation basis) from existing and new Shareholders.

The Offer will be conducted under a Prospectus to be prepared by the Company. Taylor Collison has been appointed as Lead Manager for the Offer.

The purpose of the capital raise is to raise working capital and to satisfy ASX re-compliance requirements. Capital raised will be applied towards the ongoing exploration and development of the high calcium limestone on the land subject to the Option Agreement, and to working capital needs of the Company.

On the basis of above, including reference to cash currently at hand, at the date of this Report, the Directors are of the view that funding will be available to achieve objectives associated with the asset acquisition.

The directors are therefore of the view that the going concern assumption is appropriate.

**Condensed Notes to the Financial Statements  
 For the Half-Year Ended 30 June 2021**

**NOTE 2: INCOME AND EXPENDITURE**

Note	6 months to 30-Jun-21 \$	6 months to 30-Jun-20 \$
<b>a) R&amp;D tax rebate</b>		
R&D tax rebate received	-	665,817
Incentive – R&D claim revenue	-	665,817
	-	665,817
<b>b) Other Income</b>		
Cash Flow Boost – ATO	-	15,000
Total other income	-	15,000
<b>c) Clinical Trial Expense</b>		
Over accrual in prior years	-	187,615
Recoupment of clinical trial expenses	51,936	-
Total clinical trial expenses	51,936	187,615

Accrued expenses relating to the clinical trial had been over-accrued in previous years. This has resulted in a reversal of the over-accrued amount and is presented as a negative expense line item.

**NOTE 3: SEGMENT INFORMATION**

Historically, and at the date of this Report, the Company has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ( or CODM) in assessing performance and in determining the allocation of resources. At the date of this Report, the Company has operations in Australia only and therefore does not consider that risks and returns have been or are affected by differences in products, services or geographical area. The Board has considered the potential impact of the acquisition of PowerLime, Inc. on it operations, services and revenues and is of the view that, once completed, the Company will continue to operate as one operating segment.

**NOTE 4: CASH AND CASH EQUIVALENTS**

	30-Jun-21 \$	31-Dec-20 \$
Cash at bank	3,055,654	3,178,216
Short term bank deposits – at call	21,556	21,523
<b>Total cash and cash equivalents at end of period</b>	<b>3,077,210</b>	<b>3,199,739</b>

**Condensed Notes to the Financial Statements  
For the Half-Year Ended 30 June 2021**

**NOTE 5: OTHER NON-CURRENT ASSETS**

	30-Jun-21 \$	31-Dec-20 \$
Due diligence costs for acquisition of PowerLime	49,793	-
	49,793	-

The company entered into a term sheet to acquire the assets of PowerLime Inc. PowerLime holds an option to acquire land and does not meet the definition of a business operation under AASB 3 – Business Combinations. Therefore, the transaction is being accounted for as an asset acquisition where the cost of acquisition can be capitalised.

**NOTE 6: TRADE AND OTHER PAYABLES**

	30-Jun-21 \$	31-Dec-20 \$
Trade payables	15,695	203
Deferred remuneration – Directors fees <sup>(i)</sup>	101,550	46,159
Accrued expenses	35,677	36,600
PAYG Withholding tax	3,016	1,508
	155,938	84,470

- (i) **Deferred remuneration – Directors fees:** On 1 August 2020 the Board resolved that Director fees be reinstated to 100% of previously approved remuneration, being specifically: \$82,800 (plus super) for a total of \$90,666.00 per annum for the Chairman; and \$59,771.00 (plus super) for a total of \$65,449.25 per annum for Non-executive directors. The Board also agreed that directors would defer 50% of director fees until such time as a transaction was completed and the Company had re-complied with Listing Rules 1 & 2 to the satisfaction of ASX. At that time the Board would consider making payment of the deferred fee in cash or equity. It was noted that any issue of equity would be subject to shareholder approval. At 30 June 2021 amounts deferred amounted to \$101,550.

**NOTE 7: ISSUED AND QUOTED SECURITIES AT END OF CURRENT PERIOD**

	30-Jun-21 Number	30-Jun-21 \$	31-Dec-20 Number	31-Dec-20 \$
<b>Ordinary Shares fully paid</b>	<b>1,042,835,633</b>	<b>84,213,601</b>	<b>1,042,835,633</b>	<b>84,213,601</b>
<b>Movements in shares on issue</b>				
Balance at beginning of period	1,042,835,633	84,213,601	1,042,835,633	84,213,601
Balance at end of period	1,042,835,633	84,213,601	1,042,835,633	84,213,601

**NOTE 8: CONTINGENT ASSETS AND LIABILITIES**

Directors are not aware of any other contingent assets or liabilities that are likely to have a material effect on the results of the Company as disclosed in these financial statements.

At 31 December 2020, the Company disclosed that it had \$18.8m of deferred tax assets not yet brought to account. Should the PowerLime transaction be finalised, it is unlikely that the Company will continue to have access to those tax losses. Continued access would be dependent upon the Company satisfying strict requirements with respect to continuity of ownership or the same business test imposed by income tax legislation.

**Condensed Notes to the Financial Statements  
For the Half-Year Ended 30 June 2021**

**NOTE 9: EARNINGS PER SECURITY (EPS)**

	<b>6 months to 30-Jun-21 \$</b>	<b>6 months to 30-Jun-20 \$</b>
Profit / (Loss) after income tax benefit attributable to the Company	(184,503)	627,348
	<b>No.</b>	<b>No.</b>
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares outstanding during the period used in calculation of Basic EPS	1,042,835,633	1,042,835,633
Weighted average number of options outstanding which are considered potentially dilutive	-	-
Weighted average number of potential ordinary shares outstanding during the period used in calculation of Dilutive EPS	1,042,835,633	1,042,835,633

The diluted EPS calculation includes that portion of these options considered to be potentially dilutive, weighted with reference to the date of conversion. As at 30 June 2021, 2,250,000 unlisted share options on issue were considered out of the money and therefore not potentially dilutive.

	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.02)	0.06
Diluted earnings per share	(0.02)	0.06

**NOTE 10: EVENTS OCCURRING AFTER THE BALANCE DATE**

On 26 July 2021, the Company announced that it had entered into a conditional Share Purchase Agreement (SPA) with PowerLime and the PowerLime shareholders, to acquire all issued shares in PowerLime.

The Company noted that the transaction, which would result in a significant change in the nature and scale of the Company's activities away from life sciences and into the resources sector, was conditional upon (amongst other things) the Company obtaining the approval of Shareholders.

**Consideration**

The Company proposed to issue 187,500,000 shares to PowerLime's shareholders at A\$0.004 per share (on a pre-Consolidation basis) representing an acquisition value of A\$750,000. In addition the Company would issue 62,500,000 options to PowerLime shareholders and 46,875,000 options to the management team. Options would be exercisable at \$0.012 per option (on a pre-Consolidation basis) and have a four year term. In accordance with Appendix 9B of ASX Listing Rules, securities issued as consideration for the transaction would be subject to a mandatory restriction period of 24 months.

**Second Option Payment**

Under the PowerLime Option Agreement, a second option payment was payable by on or before 31 July 2021 in order to purchase the real property located in South Georgia, USA. In accordance with the SPA, the Company would advance US\$150,000 for the second option payment. In the event the SPA was terminated prior to financial close of the transaction, and such termination was not a result of the Company materially breaching the SPA, or failing to obtain Shareholder approval to effect the transaction, PowerLime would repay the second option payment amount to the Company, or the PowerLime Shareholders would otherwise be required to transfer ownership of their PowerLime shares to the Company.

The Company noted that as a result of the transaction, it proposed to change its name to 'Dominion Minerals Limited' and its ASX code to 'DLM'.

The Company announced that, following financial close of the transaction, the Company would seek reinstatement to official quotation of the Company's shares on the ASX and would undertake a A\$4,000,000 capital raise at an offer price of A\$0.004 (on a pre-Consolidation basis) under a Prospectus.

The Company noted that the indicative timetable saw an Extraordinary General Meeting of Shareholders in September 2021, to be followed by the capital raise under Prospectus and submission of relisting application during September and October 2021.

The Company is currently preparing an EGM Notice of Meeting. At the date of this Report, the Resolutions to be put to Shareholders at the EGM remain subject to finalisation and approval.

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

#### **NOTE 11: DIVIDENDS**

No dividend has been paid during the half-year ended 30 June 2021. As at 30 June 2021 and up until the date of this report, the Directors have made no recommendation concerning dividends for the half-year, or any period thereafter.

## DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 15 are in accordance with the Corporations Act 2001, including:
  - a) complying with Accounting Standard AASB 134 Interim Financial Reporting; and
  - b) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the half-year ended on that date.
2. 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.

This declaration is made in accordance with a resolution of the Board of Directors.

FACTOR THERAPEUTICS LIMITED



Dr David Brookes  
CHAIRMAN

Brisbane, 28 July 2021



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

### **Conclusion**

We have reviewed the accompanying half-year financial report of Factor Therapeutics Limited ("the company"), which comprises the statement of financial position as at 30 June 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration.

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

- (a) giving a true and fair view of the company's financial position as at 30 June 2021, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### **Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the company 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### *Independence*

In conducting our review, we have complied with the auditor independence requirements of the *Corporations Act 2001*. In accordance with the *Corporations Act 2001*, we have given the directors of the company a written Auditor's Independence Declaration.

### **Responsibility of the Directors for the Financial Report**

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

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## Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the company's financial position as at 30 June 2021 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



PKF BRISBANE AUDIT



LIAM MURPHY  
PARTNER

28 JULY 2021  
BRISBANE