



## Appendix 4E – Preliminary Final Report

(ASX Listing rule 4.2A)

Company Name:	Prana Biotechnology Limited (the 'Group')
ABN:	37 080 699 065
Reporting Period:	Financial year ended 30 June 2014
Previous Reporting Period:	Financial year ended 30 June 2013

### Result for Announcement to the Market

The results of Prana Biotechnology Limited for the year ended 30 June 2014 are as follows:

Revenues	up	141.12%	to	\$363,775
Loss after tax attributable to members	up	71.17%	to	(\$13,329,239)
Net loss for the period attributable to members	up	71.17%	to	(\$13,329,239)

### **Brief explanation of figures reported above**

Prana Biotechnology Ltd recorded revenue of A\$363,775 for the year ended 30 June 2014 (2013: A\$150,867), which is interest received on the Group's bank accounts.

Prana Biotechnology Ltd has incurred a loss for the year of A\$13,329,239 (2013: A\$7,787,242). This loss has increased due to an increase in R&D expenditure for the period offset by an increase in other income recognised under an Australian Government tax incentive scheme introduced 1 July 2011.

For further details relating to the current period's results, refer to the Directors' Report – Review and Results of Operations contained within this document.

### **Dividends**

No dividends have been paid or declared by the Group since the beginning of the current reporting period. No dividends were paid for the previous reporting period.

### **Net Tangible Assets per Share**

	30 June 2014	30 June 2013
Net Tangible Assets	\$37,686,287	\$13,974,713
Shares (No.)	488,646,960	381,610,426
Net Tangible Assets per Share (Cents)	7.71	3.66

### **Loss per Share**

	30 June 2014	30 June 2013
Basic loss per share	(3.11)	(2.30)
Diluted loss per share	(3.11)	(2.30)

### **Status of Audit of Accounts**

These accounts are currently in the process of being audited. An Annual Report for the year ended 30 June 2014 containing the Audit Report shall be provided in due course.



ABN 37 080 699 065

# **Appendix 4E**

## **Preliminary Final Report**

For the Year Ended 30 June 2014  
(and previous corresponding period: year ended 30 June 2013)

In Compliance with ASX Listing Rule 4.3A

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## Review of Operations

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The Directors of Prana Biotechnology Limited present the following report on the consolidated entity (referred to hereafter as the 'Group' or 'Consolidated Entity' or 'Prana') consisting of Prana Biotechnology Limited and the entities it controlled at the end of, or during, the year ended 30 June 2014.

### Directors

The following persons were Directors of Prana Biotechnology Ltd during the whole of the financial year and up to the date of this report, unless stated otherwise:

Mr Geoffrey Kempler	Executive Chairman and Chief Executive Officer	
Mr Brian Meltzer	Non-Executive Independent Director	
Dr George Mihaly	Non-Executive Independent Director	
Mr Peter Marks	Non-Executive Independent Director	
Mr Lawrence Gozlan	Non-Executive Independent Director	
Prof. Ira Shoulson*	Non-Executive Independent Director	Appointed 13 May 2014

\*Prof. Ira Shoulson was appointed as a director on 13 May 2014 and remains in office to the date of this report.

### Principal Activities

The Group's principal activities during the course of the year were to commercialise research into Alzheimer's Disease, Huntington's Disease and other major age-related degenerative disorders. There have been no significant changes in the nature of those principal activities during the financial year.

### Review of Operations

Detailed below is an update on the status of the Group's development projects and overall operations for the year ended 30 June 2014.

The Group's 30 June 2013 Annual Report contains detailed background information relating to its operations including its research and development projects and collaboration partners and should be read in conjunction with this report.

#### **Key Events Summary**

In February 2014 the Group announced the results of the Phase 2a 'Reach2HD' trial in 109 patients with early to mid stage Huntington Disease (HD). The placebo double blind trial was designed to assess the safety and tolerability of PBT2 and was conducted over 26 weeks. PBT2 is Prana's lead Metal Protein Attenuating Compound (MPAC) in clinical development. The primary objective was achieved with PBT2 being safe and well tolerated in the patient population, with no significant findings or trends in any of the safety parameters measured. Secondary objectives were to investigate the effect of PBT2 on cognitive, motor, behavioural, global and functional measures. In addition, a small sub-study (n=6) was undertaken to detect brain metal iron mapping and volumetric analysis using Magnetic Resonance Imaging (MRI).

Cognition was pre-specified as the primary efficacy endpoint and was assessed using three Composite z-scores selected from individual tests; Category Fluency, Trail Making Test Part B, Map Search, Symbol Digit Modalities, Stroop Word Reading. Of the three Composite Cognition z-scores, the Executive Function Composite, comprised of the Trail Making Test Part B and Category Fluency was significantly improved at 12 weeks ( $p=0.005$ ) and trended towards improvement at 26 weeks ( $p=0.069$ ). In early stage HD, there was significant improvement in the Executive Function composite ( $p=0.038$ ). Of particular note, the Trail Making Test Part B of itself was significantly improved at 12 weeks ( $p=0.001$ ) and at 26 weeks ( $p=0.042$ ).

There were no other significant findings in the other secondary endpoints although there was a small but positive signal in the Total Functional Capacity score. Interestingly whilst the MRI did not detect changes in

brain iron distribution in the study, the rate of brain cortical tissue thinning was greater in the placebo group compared to the 2 PBT2 treatment groups (110mg and 250mg combined).

The study was conducted across sites in the United States and Australia in collaboration with the Huntington Study Group based in Rochester, New York.

In March 2014 the Group announced the results of the Phase 2 'IMAGINE' trial in 42 patients with mild or prodromal Alzheimer's Disease (AD). The study investigated the use of the imaging agent, Pittsburgh compound B (PiB) to measure changes in insoluble, aggregated forms of beta amyloid (plaque) in the brain after treatment with PBT2 over 52 weeks. This biomarker study was supported in part by the New York Alzheimer's Drug Discovery Foundation. No significant changes in beta amyloid burden were observed in the 27 patients treated with 250mg PBT2 compared to the 15 patients on placebo. Confounding interpretation of the result was the observed overall decline in amyloid burden in the placebo group.

No improvement was observed for the secondary endpoints including brain metabolic activity, cognitive and functional measures. However, for patients treated with PBT2 there was a trend towards preserving brain volume in the hippocampus compared to those patients on placebo. A key secondary endpoint was the safety profile of PBT2 after 52 weeks treatment – the longest duration of PBT2 exposure to date in a clinical trial. The adverse event profile of the treatment versus placebo group was equivalent and 40 of the 42 enrolled participants completed the 52 week trial. Participants were provided the option to continue treatment on PBT2 for a further 52 weeks in an open label study. Thirty three elected to do so and the study is ongoing and will be completed at the end of 2014/early 2015.

Both the Reach2HD and the IMAGINE clinical trials were conducted under the governance of an independent Data Safety Monitoring Boards (DSMB). The DSMB is an independent group of experts who review the accumulated safety data during the clinical trials in order to safeguard the interests and safety of participating patients. For both trials, the DSMB concluded that the trials did not require any protocol amendments.

Prana's lead development compound for movement disorders, PBT434, has been shown to prevent the aggregation of a key protein, alpha synuclein, implicated in the pathology of Parkinson's Disease (PD) and other movement disorders such as Multiple System Atrophy. These findings together with the demonstration that PBT434 can preserve the neurons that perish in PD, were presented at the 17<sup>th</sup> Movement Disorders Congress of Parkinson's Disease and Movement Disorders in Sydney in June 2013. Research into the potential disease modifying mechanisms of the drug has been assisted by the award of £150,000 grant from Parkinson's UK to The University of Leeds to study PBT434 in collaboration with Melbourne's Florey Institute of Neuroscience and Mental Health. Development of the drug has progressed into longer term toxicology studies and GMP manufacture of the drug to enable first in man studies in 2015.

Underpinning the mechanistic research into the disease modification potential of PBT2 in AD and HD, Prana scientist Associate Professor Paul Adlard published on the ability of PBT2 to restore learning and memory in old mice. His paper entitled, "A Novel Approach To Rapidly Prevent Age-Related Cognitive Decline" in the journal *Aging Cell*, demonstrated that PBT2 could restore the cognition of aged mice to that of young, cognitively normal mice. Furthermore, that this restoration of cognitive function was accompanied by increase in underlying hippocampal neurons, synaptic density and neuronal proliferation markers around the lateral ventricles, a region susceptible to atrophy in HD.

The novel therapeutic strategy behind PBT2 was recognised Elsevier Business Intelligence who named PBT2 as one of the 'Top 10 Neuroscience Projects to Watch'.

In May 2014, the Group announced the appointment of Professor Ira Shoulson to the Prana Board. Professor Shoulson is a Professor of Neurology, Pharmacology and Human Science at Georgetown University,

Washington, DC and Director of the University's Program for Regulatory Science and Medicine. He is also principal investigator of the Georgetown University Center of Excellence in Regulatory Science and Innovation, funded by the Food and Drug Administration. Professor Shoulson was the founder of the leading academic consortia, the Huntington Study Group and the Parkinson Study Group.

In August 2013, the Group issued a prospectus providing for the sale of up to US\$47.18 million of our ordinary shares under an amended At-The-Market Issuance Sales Agreement with MLV dated August 30, 2013. As of 30 June, 2014, we issued a total amount of 12.2 million ADSs under the Group's At-The-Market Issuance Sales Agreement for gross proceeds of A\$39.37 million (US\$37 million).

During the year 20.9 million options were exercised into ordinary shares resulting in \$4.95 million received by the Group to fund operations.

This document contains some statements which are by their very nature forward looking or predictive. Such forward looking statements are by necessity at least partly based on assumptions about the results of future operations which are planned by the Group and other factors affecting the industry in which the Group conducts its business and markets generally. Such forward looking statements are not facts but rather represent only expectations, estimates and/or forecasts about the future and thereby need to be read bearing in mind the risks and uncertainties concerning future events generally. There are no guarantees about subjects dealt with in forward looking statements. Indeed, actual outcomes may differ substantially from that predicted due to a range of variable factors.

### **Results of Operation**

The Group reported a loss for the year of A\$13.3 million (2013: A\$7.8 million). The loss is after fully expensing all research and development costs.

### **Other Income**

We had other income of A\$7.8 million (2013: A\$4.5 million) relating to a 45% tax offset refund for eligible research and development activities.

### **Research and development expenses**

Our research and development expenses consist primarily of expenses for contracted research and development activities conducted by third parties on our behalf. Research and development expenses also include costs associated with the acquisition, development of patents, salaries and fees paid to employees and consultants involved in research and development activities.

Our research and development expenses (including research and development expenses paid to related parties) increased to A\$14.9 million for the year ended June 30, 2014 from A\$8.6 million for the year ended June 30, 2013, an increase of A\$6.3 million, or 73.62%. The increase in research and development expenses in the year ended June 30, 2014 is primarily attributable to: the completion and reporting of both the Alzheimer's Disease "IMAGINE" and Huntington Disease "Reach2HD" Phase II studies; the conduct of an extension study to IMAGINE and pre-Phase III development and manufacturing costs; the pre-clinical development of our lead Parkinson's Disease and other Movement Disorders MPAC candidate compound, PBT434.

### **Corporate personnel expenses**

Our personnel expenses consist of directors' fees, salaries and benefits paid to employees and officers and equity-based payments awarded to directors, officers and employees.

Corporate personnel expenses increased to A\$2.1 million for the year ended June 30, 2014 from A\$1.9 million for the year ended June 30, 2013, an increase of A\$143,831, or 7.51%. Prior year corporate personnel costs of A\$640,432 have been changed to R&D personnel costs for comparative purposes. This has been offset by a

decrease in corporate personnel expenses in the 2014 fiscal year attributable to a decrease in equity-based compensation in the form of options and shares issued to directors, employees and consultants issued in the 2014 fiscal year. In the 2014 fiscal year, we expensed A\$472,463 in respect of equity-based payments to directors, consultants and employees compared to A\$835,595 in the 2013 fiscal year.

### **Financial Position and Capital Resources**

As at 30 June, 2014, the Group had cash reserves of A\$34.17 million compared to A\$13.35 million at 30 June, 2013. For the years ended 30 June, 2014 and 2013, we incurred an operating loss of A\$13.3 million and A\$7.8 million, respectively, and an operating cash outflow of A\$13.8 million and A\$8.0 million, respectively.

We believe that Australian Government tax incentive scheme relating to eligible research and development activities, introduced on July 1, 2011, will continue to provide us with significant benefits in future years. Such eligible R&D activities include but are not limited to:

- Core activities, which are experimental activities whose outcome cannot be known or determined in advance, but can only be determined by applying a systematic progression of work;
- Core activities conducted for the purpose of generating new knowledge (including new knowledge in the form of new or improved processes and materials); or
- Supporting activities that are directly related and designed to support the above).

Under the research and development incentive scheme, entities with an aggregated turnover for the income year of less than A\$20 million will be entitled to a 45% refundable tax offset. In the year ended June 30, 2014, we recorded A\$7.8 million as receivable in other income with respect to funds we will receive in relation to the 2014 financial year under the research and development incentive scheme.

### **Cash Flows**

Net cash used in operating activities was A\$13.8 million and A\$8.0 million during the years ended 30 June, 2014 and 2013, respectively. Our payments to suppliers and employees during the years ended 30 June, 2014 and 2013 were A\$18.3 million and A\$10.7 million respectively. The A\$5.8 million increase in operating activities from the year ended 30 June, 2014 compared to the year ended 30 June, 2013 reflects our continued maintenance of its research and development programs. During the years ended 30 June, 2014 and 2013, our payments to suppliers and employees was offset by interest income of A\$363,775 and A\$150,867 respectively.

Signed in accordance with a resolution of the Directors made pursuant to s298(2) of the *Corporations Act 2001*.



Mr Geoffrey Kempler  
**Executive Chairman and Chief Executive Officer**

Dated: This the 29<sup>th</sup> Day of August 2014

# Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2014

	Note	Consolidated Entity	
		2014	2013
		\$	\$
Revenue from ordinary activities	3	363,775	150,867
Other income	3	7,845,396	4,488,526
Intellectual property expenses	4	477,079	294,894
Auditor and accounting expenses	4	342,609	166,086
Research and development expenses	4	14,908,098	8,586,437
Corporate personnel expenses	4	2,059,642	1,915,811
Depreciation expenses	4	22,384	23,130
Other expenses	4	2,172,157	1,187,083
Travel expenses	4	421,013	131,710
Public relations and marketing expenses	4	358,597	136,186
Foreign exchange gain (loss)	4	746,593	(140,761)
Gain (loss) on fair valuation of financial liabilities	4	30,238	126,059
<b>Loss before income tax expense</b>		<b>(13,329,239)</b>	<b>(7,787,242)</b>
Income Tax Expense		-	-
<b>Loss for the period</b>		<b>(13,329,239)</b>	<b>(7,787,242)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year</b>		<b>(13,329,239)</b>	<b>(7,787,242)</b>

  

Loss per share attributable to the ordinary equity holders of the Group:		Cents	Cents
Basic loss per share (cents per share)	5a	(3.11)	(2.30)
Diluted loss per share (cents per share)	5b	(3.11)	(2.30)

The accompanying notes form part of these financial statements.

# Statement of Financial Position

As at 30 June 2014

		Consolidated Entity	
	Note	2014	2013
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		34,167,018	13,346,760
Trade and other receivables		7,285,409	3,523,938
Other current assets		96,883	112,242
<b>TOTAL CURRENT ASSETS</b>		<b>41,549,310</b>	<b>16,982,940</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		47,557	46,893
Other non-current assets		43,988	43,988
<b>TOTAL NON-CURRENT ASSETS</b>		<b>91,545</b>	<b>90,881</b>
<b>TOTAL ASSETS</b>		<b>41,640,855</b>	<b>17,073,821</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,358,358	1,775,666
Other financial liabilities		98,398	870,801
Provisions		494,784	419,176
Unearned income		-	33,332
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,951,540</b>	<b>3,098,975</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		3,028	133
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,028</b>	<b>133</b>
<b>TOTAL LIABILITIES</b>		<b>3,954,568</b>	<b>3,099,108</b>
<b>NET ASSETS</b>		<b>37,686,287</b>	<b>13,974,713</b>
<b>EQUITY</b>			
Issued capital	6	140,009,415	101,379,111
Reserves	7	8,937,434	10,526,925
Accumulated losses		(111,260,562)	(97,931,323)
<b>TOTAL EQUITY</b>		<b>37,686,287</b>	<b>13,974,713</b>

The accompanying notes form part of these financial statements.

# Statement of Changes in Equity

For the year ended 30 June 2014

	Note	Issued and Unissued Capital	Reserves	Accumulated Losses	Total
		\$	\$	\$	\$
<b>Balance at 30 June 2012</b>		86,134,077	9,633,451	(90,144,081)	5,623,447
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued gross of costs	6	16,260,809	-	-	16,260,809
Options exercised	6 & 7	-	-	-	-
Options issued		-	893,474	-	893,474
Options lapsed		-	-	-	-
Equity to be issued		-	-	-	-
Transaction costs	6	(1,015,775)	-	-	(1,015,775)
		15,245,034	893,474	-	16,138,508
Loss for the year		-	-	(7,787,242)	(7,787,242)
<b>Total comprehensive income for the year</b>		-	-	(7,787,242)	(7,787,242)
<b>Balance at 30 June 2013</b>		101,379,111	10,526,925	(97,931,323)	13,974,713
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued gross of costs	6	32,410,149	-	-	32,410,149
Options exercised	6 & 7	7,535,324	(2,582,399)	-	4,952,925
Options issued		-	992,908	-	992,908
Options lapsed		-	-	-	-
Equity to be issued		24,200	-	-	24,200
Transaction costs	6	(1,339,369)	-	-	(1,339,369)
		38,630,304	(1,589,491)	-	37,040,813
Loss for the year		-	-	(13,329,239)	(13,329,239)
<b>Total comprehensive income for the year</b>		-	-	(13,329,239)	(13,329,239)
<b>Balance at 30 June 2014</b>		140,009,415	8,937,434	(111,260,562)	37,686,287

The accompanying notes form part of these financial statements.

# Cash Flow Statement

For the year ended 30 June 2014

	Consolidated Entity	
	2014	2013
	\$	\$
<b>CASH FLOWS RELATED TO OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(18,264,061)	(10,650,823)
Interest received	377,587	93,789
Grants received	-	107,097
R&D tax refund	4,095,000	2,492,683
Other	2,500	6,000
<b>NET OPERATING CASH FLOWS</b>	<b>(13,788,974)</b>	<b>(7,951,254)</b>
<b>CASH FLOWS RELATED TO INVESTING ACTIVITIES</b>		
Payments for purchases of plant and equipment	(23,047)	(22,000)
Payment for rental security deposits	-	(6,151)
<b>NET INVESTING CASH FLOWS</b>	<b>(23,047)</b>	<b>(28,151)</b>
<b>CASH FLOWS RELATED TO FINANCING ACTIVITIES</b>		
Proceeds from issues of securities	37,363,075	16,260,806
Transaction costs relating to equity issuances	(1,339,369)	(1,015,775)
Proceeds from borrowings	-	337,000
Repayment of borrowings	(810,164)	-
<b>NET FINANCING CASH FLOWS</b>	<b>35,213,542</b>	<b>15,582,031</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>21,401,521</b>	<b>7,602,626</b>
Cash and cash equivalents at the beginning of the year	13,346,760	5,636,469
Effects of exchange rate changes on cash and cash equivalents	(581,263)	107,665
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>34,167,018</b>	<b>13,346,760</b>

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

# Notes to the Financial Statements

For the year ended 30 June 2014

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## Note 1. Statement of Significant Accounting Policies

These general purpose financial statements for the year ended 30 June 2014 have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The Group's preliminary financial statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Australian equivalents to International Financial Reporting Standards ("A-IFRS").

The Group's preliminary financial report does not include all the notes of the type normally included in an annual financial report. The preliminary financial report has been prepared in accordance with the recognition and measurement requirements, but not all disclosure requirements, of Australian Accounting Standards and Interpretations and the *Corporations Act 2001*. Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards.

### Accounting Policies

Significant accounting policies adopted in preparation of the preliminary financial report are consistent with those adopted by the Group in preparation of the 30 June 2013 financial report and the 31 December 2014 half year financial report. Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosure.

The preliminary financial report is presented in Australian dollars.

### Going Concern Basis

The Group is a development stage medical biotechnology company and as such expects to be utilising cash until its research activities have become marketable. For the year ended 30 June 2014, the Group incurred an operating loss of A\$13.3 million (2013: Loss: A\$7.8 million) and an operating cash outflow of A\$13.8 million (2013: A\$8.0 million). As at year end the net assets of the Group stood at A\$37.7 million (2013: A\$14.0 million) and the cash position has increased to A\$34.2 million from A\$13.3 million at 30 June 2013.

Cash on hand at 30 June 2014 plus subsequent capital inflows are considered sufficient to meet the Group's forecast cash outflows for, at least, 12 months from the date of this report. While there is an inherent uncertainty in the Group's cash flow forecast in relation to the phasing of proposed expenditure on research and development which may impact the forecast cash position, the Directors believe the Group will be able to maintain sufficient cash reserves through a range of options, including:

- The Group had an existing "at the market" (ATM) facility through which it could raise additional funds of up to US\$48.73 million by the sale of American Depositary Receipts ("ADRs"). This facility, established through the filing of a shelf registration statement on Form F-3 with the United States Securities and Exchange Commission in May, 2011, and amended in August 2013 has been a successful source of raising funds. As at the date of this report the Group sold 12.2 million of its ADRs for aggregate gross proceeds of approximately A\$39.37 million (US\$37 million).
- The Group has on issue a total of 18.77 million unlisted, unexercised options. The options have exercise prices ranging from nil to A\$1.12. If all unlisted options were exercised, the Group would receive consideration of A\$6.9 million in total.
- The Group has recorded a Trade Receivable at 30 June 2014 in the amount of A\$7.3 million from the Australian Tax Office in respect of its 2014 R&D claim. The Group expects to receive this amount during the 12 months ended 30 June 2015.

- In addition, the Group continues to pursue raising additional funds through alternative funding structures and has a strong history of raising capital.
- Notwithstanding, in the event that the Group will not have sufficient funds to effect its current plans through the above mentioned methods, the Group has the ability to scale down its operations and prioritise its research and development programs.

On this basis, the Directors are satisfied that the Group is a going concern and at this time and are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the Consolidated Statement of Financial Position as at 30 June 2014.

Therefore, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the classification of liabilities that might be necessary should the Group not continue as a going concern.

### R&D Tax Incentives

The Australian Government replaced the research and development tax concession with the research and development tax incentive from 1 July 2011. The provisions provide refundable or non-refundable tax offsets. The research and development tax incentive applies to expenditure incurred and the use of depreciating assets in an income year commencing on or after 1 July 2011. A 45% refundable tax offset, equivalent to a deduction of 150%, will be available to eligible small companies with an annual aggregate turnover of less than \$20 million. Eligible companies can receive a refundable tax offset of 45% of their research and development spending.

The Group's research and development activities are eligible under an Australian Government tax incentive for eligible expenditure from 1 July 2011. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. For the period to 30 June 2014 the Group has recorded an item in other income of A\$7.22 million (2013: A\$3.47 million) to recognise this amount which relates to this period.

### Note 2. Dividends

The Group resolved not to declare any dividends in the year ended 30 June 2014.

### Note 3. Revenue and other income

	2014 \$	2013 \$
From ordinary activities:		
<b>Other revenue</b>		
Interest	363,775	150,867
<b>Total other revenue</b>	363,775	150,867
<b>Other income</b>		
R&D Tax Concession	7,802,947	4,408,761
Michael J Fox Foundation Grant	39,949	73,765
Other Grants	2,500	6,000
<b>Total other income</b>	7,845,396	4,488,526

**Note 4. Loss for the year**

	Note	2014 \$	2013 \$
<b>Loss before income tax has been determined after:</b>			
<b>Expenses</b>			
Intellectual property expenses		477,079	294,894
Auditor and accounting expenses		342,609	166,086
Research and development expenses	4a	14,908,098	8,586,437
<b>Corporate Personnel expenses</b>			
- Employee expenses		751,004	750,418
- Equity payments to employees		33,824	114,740
- Consultant and director expenses		773,601	297,587
- Equity payments to consultants and directors		438,639	720,855
- Defined contribution superannuation expenses		62,574	32,211
<b>Total Corporate Personnel expenses*</b>		<b>2,059,642</b>	<b>1,915,811</b>
<b>Depreciation expenses</b>		<b>22,384</b>	<b>23,130</b>
<b>Other expenses</b>			
- Corporate compliance		487,632	251,552
- Office expenses		1,365,151	634,552
- Computer expenses		22,316	21,609
- Insurance		103,497	84,679
- Office rental under operating lease		163,583	177,015
- Interest Expense - ADDF		29,978	17,676
<b>Total Other expenses</b>		<b>2,172,157</b>	<b>1,187,083</b>
Travel expenses		421,013	131,710
Public relations and marketing expenses		358,597	136,186
Foreign exchange gain (loss)		746,593	(140,761)
Gain (loss) on fair valuation of financial liabilities		30,238	126,059
<b>Total expenses</b>		<b>21,538,410</b>	<b>12,426,635</b>

\* Corporate Personnel expenses excludes salaries and fees paid to employees and consultants involved in research and development activities.

	2014 \$	2013 \$
<b>4a) Research and development expenses<sup>1&amp;2</sup></b>		
Personnel expenses related to research and development	1,827,934	1,159,887
Research and development expenses	13,080,164	7,426,550
<b>Total Research and development expenses</b>	<b>14,908,098</b>	<b>8,586,437</b>

<sup>1</sup> Research and development expenses consist of expenses paid for contracted research and development activities conducted by third parties on behalf of the Group.

<sup>2</sup> Prior year corporate personnel costs of \$640,432 have been changed to R&D personnel costs for comparative purposes.

**Note 5. Loss per Share**

	2014 (cents)	2013 (cents)
(a) Basic loss per share	(3.11)	(2.30)
(b) Diluted loss per share	(3.11)	(2.30)
(c) Reconciliation of earnings to loss	\$	\$
Loss used to calculate basic loss per share	(13,329,239)	(7,787,242)
Loss used to calculate diluted loss per share	(13,329,239)	(7,787,242)
	<b>No.</b>	<b>No.</b>
(d) Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share	428,047,123	338,700,006
Weighted average number of ordinary shares outstanding during the year used in calculating diluted loss per share	428,047,123	338,700,006
(e) Options that are considered to be potential ordinary shares are excluded from the weighted average number of ordinary shares used in the calculation of basic loss per share. Where dilutive, potential ordinary shares are included in the calculation of diluted loss per share. All the options on issue do not have the effect to dilute the loss per share. Therefore they have been excluded from the calculation of diluted loss per share.		

**Note 6. Contributed Equity**

	Note	2014 \$	2013 \$
488,646,960 (2013: 381,610,426) fully paid ordinary shares	6a	137,307,771	98,677,467
Nil (2013: Nil) options over fully paid ordinary shares	6b	2,701,644	2,701,644
		<b>140,009,415</b>	<b>101,379,111</b>

(a) Ordinary Shares	2014		2013	
	No.	\$	No.	\$
At the beginning of reporting period	381,610,426	98,677,467	297,980,818	83,432,433
Shares issued during the year	(i) 86,108,500	32,434,349	83,629,608	16,260,809
Shares issued on exercise of options	(ii) 20,928,034	7,535,324	-	-
Transaction costs relating to share issues	-	(1,339,369)	-	(1,015,775)
<b>At reporting date</b>	<b>488,646,960</b>	<b>137,307,771</b>	<b>381,610,426</b>	<b>98,677,467</b>

Ordinary shares participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

<b>(i) Shares issued during the year</b>				
<b>2014</b>	<b>Details</b>	<b>Number</b>	<b>Issue Price</b>	
			<b>\$</b>	<b>\$</b>
02 August 2013	Issued as part of a capital raising	1,469,780	0.40	588,216
05 August 2013	Issued as part of a capital raising	465,980	0.38	176,592
06 August 2013	Issued as part of a capital raising	3,601,550	0.39	1,413,616
07 August 2013	Issued as part of a capital raising	2,517,590	0.38	956,832
30 August 2013	Issued as part of a capital raising	1,167,610	0.57	662,809
09 September 2013	Issued as part of a capital raising	2,160,950	0.58	1,261,265
10 September 2013	Issued as part of a capital raising	1,395,610	0.56	786,494
11 September 2013	Issued as part of a capital raising	523,120	0.55	288,606
12 September 2013	Issued as part of a capital raising	2,056,760	0.52	1,071,557
04 November 2013	Issued as part of a capital raising	6,745,750	0.48	3,209,209
05 November 2013	Issued as part of a capital raising	143,700	0.48	69,054
06 November 2013	Issued as part of a capital raising	8,380	0.49	4,070
11 March 2014	Issued as part of a capital raising	980,130	1.23	1,202,928
12 March 2014	Issued as part of a capital raising	41,760	1.18	49,339
14 March 2014	Issued as part of a capital raising	1,594,220	1.11	1,767,019
17 March 2014	Issued as part of a capital raising	2,280,750	1.05	2,405,397
03 April 2014	Issued as part of a capital raising	22,339,170	0.31	6,963,613
04 April 2014	Issued as part of a capital raising	17,290,080	0.27	4,607,964
07 April 2014	Issued as part of a capital raising	18,325,610	0.25	4,672,819
07 April 2014	Issued to a consultant <sup>1</sup>	1,000,000	0.25	252,750
30 June 2014	Proposed issue to a consultant <sup>2</sup>	-	-	24,200
		<b>86,108,500</b>		<b>32,434,349</b>

<sup>1</sup> Equity was issued for nil consideration and valued by the Group based on the market price per share on grant date.

<sup>2</sup> Shares expensed under AASB2, but not yet issued. The market value of shares to be issued to consultant is equivalent to the contracted services.

2013	Details	Number	Issue Price	
			\$	\$
24 August 2012	Issued as part of a capital raising	1,364,190	0.18	239,238
27 August 2012	Issued as part of a capital raising	1,656,440	0.17	288,162
28 August 2012	Issued as part of a capital raising	52,000	0.17	8,970
29 August 2012	Issued as part of a capital raising	164,770	0.17	28,252
31 August 2012	Issued as part of a capital raising	347,000	0.17	58,771
03 September 2012	Issued as part of a capital raising	816,330	0.17	138,954
04 September 2012	Issued as part of a capital raising	169,060	0.17	27,909
14 September 2012	Issued as part of a capital raising	1,249,450	0.19	242,432
17 September 2012	Issued as part of a capital raising	2,507,610	0.2	507,067
18 September 2012	Issued as part of a capital raising	354,500	0.2	70,973
25 September 2012	Issued as part of a capital raising	1,196,500	0.25	296,530
26 September 2012	Issued as part of a capital raising	189,210	0.24	46,289
27 September 2012	Issued as part of a capital raising	121,350	0.22	27,055
28 September 2012	Issued as part of a capital raising	20,700	0.23	4,665
08 October 2012	Issued as part of a capital raising	32,500,000	0.18	6,012,500
01 March 2013	Issued to a consultant <sup>1</sup>	110,000	0.20	22,000
07 March 2013	Issued as part of a capital raising	1,843,240	0.27	502,879
07 March 2013	Issued as part of a capital raising	1,499,870	0.27	407,541
08 April 2013	Issued as part of a capital raising	25,641,030	0.20	5,000,001
08 April 2013	Issued as part of a capital raising	1,045,150	0.21	218,981
08 April 2013	Issued as part of a capital raising	244,740	0.22	53,110
08 April 2013	Issued as part of a capital raising	165,980	0.22	36,284
03 May 2013	Issued as part of a capital raising	10,370,488	0.19	2,022,245
		<b>83,629,608</b>		<b>16,260,809</b>

<sup>1</sup> Equity was issued for nil consideration and valued by the Group based on the market price per share on grant date.

(ii) Shares issued on exercise of options				
2014	Details <sup>1</sup>	Number	Exercise Price	
			\$	\$
30 August 2013	Exercise of options	150,000	0.25	52,140
30 August 2013	Exercise of options	100,000	-	11,700
30 August 2013	Exercise of options	86,625	-	12,266
30 August 2013	Exercise of options	100,000	-	11,700
30 August 2013	Exercise of options	10,000,000	0.30	3,857,143
03 October 2013	Exercise of options	97,418	-	17,577
03 October 2013	Exercise of options	625,000	-	282,827
25 October 2013	Exercise of options	60,000	-	8,496
25 October 2013	Exercise of options	81,750	-	11,575
25 October 2013	Exercise of options	45,000	-	6,372
25 October 2013	Exercise of options	90,728	-	12,847
04 November 2013	Exercise of options	722,419	-	300,404
25 November 2013	Exercise of options	200,000	0.33	80,786
13 December 2013	Exercise of options	73,200	0.25	25,444
20 December 2013	Exercise of options	81,750	-	11,576
20 December 2013	Exercise of options	100,000	0.33	40,393
03 January 2014	Exercise of options	1,700,000	0.225	593,622
28 January 2014	Exercise of options	500,000	0.225	174,595
06 February 2014	Exercise of options	500,000	0.225	174,595
06 February 2014	Exercise of options	28,900	0.225	10,092
06 February 2014	Exercise of options	3,400,000	0.225	1,187,244
06 February 2014	Exercise of options	50,000	0.25	17,380
21 February 2014	Exercise of options	60,000	0.15	16,800
21 February 2014	Exercise of options	146,128	0.15	36,532
21 February 2014	Exercise of options	157,818	0.25	54,858
26 February 2014	Exercise of options	34,220	0.37	17,298
26 February 2014	Exercise of options	47,700	0.25	16,581
11 March 2014	Exercise of options	100,000	0.33	40,393
11 March 2014	Exercise of options	60,000	0.25	20,856
11 March 2014	Exercise of options	66,500	0.15	18,620
11 March 2014	Exercise of options	1,000,000	0.15	260,000
11 March 2014	Exercise of options	100,000	0.33	40,393
11 March 2014	Exercise of options	146,128	0.15	36,532
03 April 2014	Exercise of options	216,750	0.225	75,687
		<b>20,928,034</b>	<b>-</b>	<b>7,535,324</b>

<sup>1</sup> Equity value is the fair value at grant date.

(ii) During the financial year ended 30 June 2013, no shares were issued on the exercise of options.

(b) Options	2014		2013	
	No.	\$	No.	\$
At the beginning of reporting period	-	2,701,644	-	2,701,644
<b>At reporting date</b>	<b>-</b>	<b>2,701,644</b>	<b>-</b>	<b>2,701,644</b>

**Note 7. Reserves**

	Note	2014 \$	2013 \$
<u>Share based payment reserve</u>			
18,542,577 (2013: 35,544,121) options over fully paid ordinary shares	7a	6,968,437	8,557,928
Nil (2013: Nil) options over ADRs	7b	1,515,434	1,515,434
612,397 (2013: 612,397) warrants over ADRs	7c	453,563	453,563
		<b>8,937,434</b>	<b>10,526,925</b>

(a) Options over fully paid ordinary shares	2014		2013	
	No.	\$	No.	\$
At the beginning of reporting period	35,544,121	8,557,928	28,360,328	7,664,454
Options issued during year (i)	3,926,490	992,908	10,683,793	893,474
Exercise of options (ii)	(20,928,034)	(2,582,399)	-	-
Expiration of options (iii)	-	-	(3,500,000)	-
Forfeiture of options (iv)	-	-	-	-
<b>At reporting date</b>	<b>18,542,577</b>	<b>6,968,437</b>	<b>35,544,121</b>	<b>8,557,928</b>

(i) Options issued during year				
2014	Details	Number	Option fair value	
			\$	\$
25 October 2013	Issued to consultants <sup>1</sup>	200,000	0.17	33,960
04 November 2013	Issued to consultants and key management personnel <sup>2</sup>	360,000	0.21	76,105
13 December 2013	Issued to consultants <sup>3</sup>	1,200,000	0.36	427,293
07 February 2014	Issued to consultants <sup>4</sup>	300,000	0.64	63,793
07 April 2014	Issued to consultants <sup>5</sup>	1,200,000	0.23	274,966
05 August 2013	Issued to consultants <sup>6</sup>	306,490	0.18	54,016
02 October 2013	Issued to consultants <sup>7</sup>	360,000	0.17	62,775
		<b>3,926,490</b>		<b>992,908</b>

2013	Details	Number	Option fair value	
			\$	\$
12 December 2012	Issued to directors and key management personnel <sup>8</sup>	9,000,000	0.07	665,350
26 June 2013	Issued to employees <sup>9</sup>	641,923	0.14	86,969
26 June 2013	Issued to consultants <sup>9</sup>	1,041,870	0.14	141,155
		<b>10,683,793</b>		<b>893,474</b>

<b>(ii) Exercise of options</b>				
<b>2014</b>	<b>Details</b>	<b>Number</b>	<b>Exercise Price</b>	
			<b>\$</b>	<b>\$</b>
30 August 2013	Exercise of options <sup>10</sup>	(286,625)	A\$0.00	(35,666)
30 August 2013	Exercise of options <sup>11</sup>	(10,000,000)	A\$0.30	(857,143)
30 August 2013	Exercise of options <sup>12</sup>	(150,000)	A\$0.25	(14,640)
03 October 2013	Exercise of options <sup>10</sup>	(722,418)	A\$0.00	(300,405)
25 October 2013	Exercise of options <sup>10</sup>	(277,478)	A\$0.00	(39,290)
04 November 2013	Exercise of options <sup>10</sup>	(722,419)	A\$0.00	(300,405)
25 November 2013	Exercise of options <sup>8</sup>	(200,000)	A\$0.33	(14,786)
13 December 2013	Exercise of options <sup>12</sup>	(73,200)	A\$0.25	(7,144)
20 December 2013	Exercise of options <sup>10</sup>	(81,750)	A\$0.00	(11,576)
20 December 2013	Exercise of options <sup>8</sup>	(100,000)	A\$0.33	(7,393)
03 January 2014	Exercise of options <sup>13</sup>	(1,700,000)	A\$0.225	(211,122)
28 January 2014	Exercise of options <sup>13</sup>	(500,000)	A\$0.225	(62,095)
06 February 2014	Exercise of options <sup>13</sup>	(3,928,900)	A\$0.225	(487,928)
06 February 2014	Exercise of options <sup>12</sup>	(50,000)	A\$0.25	(4,880)
21 February 2014	Exercise of options <sup>14</sup>	(206,128)	A\$0.15	(22,413)
21 February 2014	Exercise of options <sup>12</sup>	(157,818)	A\$0.25	(15,403)
26 February 2014	Exercise of options <sup>9</sup>	(34,220)	A\$0.37	(4,636)
26 February 2014	Exercise of options <sup>12</sup>	(47,700)	A\$0.25	(4,656)
11 March 2014	Exercise of options <sup>8</sup>	(200,000)	A\$0.33	(14,786)
11 March 2014	Exercise of options <sup>14</sup>	(1,212,628)	A\$0.15	(133,258)
11 March 2014	Exercise of options <sup>12</sup>	(60,000)	A\$0.25	(5,856)
03 April 2014	Exercise of options <sup>13</sup>	(216,750)	A\$0.225	(26,918)
			<b>(20,928,034)</b>	<b>(2,582,399)</b>

(ii) During the financial year ended 30 June 2013, no shares were issued on the exercise of options.

(iii) During the financial year ended 30 June 2014 no options expired.

<b>(iii) Expiration of options</b>				
<b>2013</b>	<b>Details</b>	<b>Number</b>	<b>Exercise Price</b>	
			<b>\$</b>	<b>\$</b>
23 September 2012	Expired, unexercised, 23 September 2012 <sup>15</sup>	(3,500,000)	-	-
			<b>(3,500,000)</b>	<b>-</b>

(iv) During the financial year ended 30 June 2013 and 2014 no options were forfeited.

- <sup>1</sup> Options exercisable at \$0.61 on or before 24 October 2018
- <sup>2</sup> Options exercisable at \$0.73 on or before 3 November 2018
- <sup>3</sup> Options exercisable at \$1.04 on or before 11 December 2018
- <sup>4</sup> Options exercisable at \$1.12 on or before 5 February 2019
- <sup>5</sup> Options exercisable at \$0.25 on or before 6 April 2018
- <sup>6</sup> Options exercisable at \$0.66 on or before 4 August 2018
- <sup>7</sup> Options exercisable at \$0.66 on or before 1 October 2018
- <sup>8</sup> Options exercisable at \$0.33 on or before 13 December 2017
- <sup>9</sup> Options exercisable at \$0.37 on or before 25 June 2018
- <sup>10</sup> Options exercisable at \$nil on or before 7 August 2014 with a share price hurdle of \$0.40 for 5 consecutive trading days
- <sup>11</sup> Options exercisable at \$0.30 on or before 11 September 2013
- <sup>12</sup> Options exercisable at \$0.25 on or before 20 March 2017
- <sup>13</sup> Options exercisable at \$0.225 on or before 24 March 2015
- <sup>14</sup> Options exercisable at \$0.15 on or before 31 March 2014
- <sup>15</sup> Options exercisable at \$0.30 on or before 23 September 2012

(b) Options over ADRs <sup>1</sup>	2014		2013	
	No.	\$	No.	\$
At the beginning of reporting period	-	1,515,434	380,000	1,515,434
Expiration of options	-	-	(380,000)	-
<b>At reporting date</b>	<b>-</b>	<b>1,515,434</b>	<b>-</b>	<b>1,515,434</b>

- <sup>1</sup> Options exercisable at USD\$5.00 on or before 17 December 2012. These options are convertible to ADRs, 1 ADR = 10 ordinary shares.

(c) Warrants over ADRs <sup>1 &amp; 2</sup>	2014		2013	
	No.	\$	No.	\$
At the beginning of reporting period <sup>1</sup>	-	453,563	-	453,563
At the beginning of reporting period <sup>2</sup>	612,397	-	612,397	-
<b>At reporting date</b>	<b>612,397</b>	<b>453,563</b>	<b>612,397</b>	<b>453,563</b>

- <sup>1</sup> Warrants exercisable at USD\$8.00 on or before 4 June 2009. These warrants are convertible to ADRs, 1 ADR = 10 ordinary shares. These warrants expired without being exercised on 4 June 2009.
- <sup>2</sup> Warrants exercisable at A\$0.17 on or before 25 February 2016.

**(d) Nature and purpose of reserve**

The share based payments reserve is used to recognise the fair value of options and warrants issued to employees and consultants but not exercised.

**Note 8. Contingent Liabilities and Contingent Assets**

There are no contingent assets or liabilities at the date of this report. The Group is not involved in any legal or arbitration proceedings and, so far as the Directors are aware, no such proceedings are pending or threatened against the Group.

**Note 9. Segment Reporting**

The Group's activities are predominantly within Australia and cover research into Alzheimer's Disease and other major age-related degenerative disorders.

**Note 10. Share-based Payments**

At the Annual General Meeting held on 17 November 2004, Shareholders approved the establishment of a new Employee and Consultant Plan designed to reward Executives, Employees and/or Consultants for their contributions to the consolidated entity. The plan is to be used as a method of retaining key personnel for the growth and development of the Group's intellectual property rights. Due to the Group's US presence, a US plan and an Australian plan were developed. At 30 June 2014 equity had been issued to 1 previous Director, while a Director, under the US plan and 6 Directors, 3 Key Management Personnel, 16 employees and 19 consultants under the Australian Plan.

**2004 Australian Employee, Directors and Consultants Share and Option Plan - Shares**

	2014 Number of Shares	2013 Number of Shares
Outstanding at the beginning of the year	7,405,331	7,295,331
Granted	1,000,000	110,000
Forfeited	-	-
Exercised Options	4,582,384	-
Expired	-	-
<b>Outstanding at year-end</b>	<b>12,987,715</b>	<b>7,405,331</b>

Shares issued to employees and consultants were valued at the market price per share at date of grant. See note 6 for further detail.

The weighted average fair value of the shares granted during the year was \$0.25.

\$252,750 is included under corporate personnel expenses in the Statement of Profit or Loss and Other Comprehensive Income in the year ended 30 June 2014.

2004 Australian Employee, Directors and Consultants Share and Option Plan – Options

	2014		2013	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	17,031,476	0.23	6,347,683	0.14
Granted	3,926,490	0.69	10,683,793	0.34
Lapsed	-	-	-	-
Forfeited	-	-	-	-
Exercised	(4,582,384)	0.11	-	-
Expired	-	-	-	-
<b>Outstanding at year-end</b>	<b>16,375,582</b>	<b>0.41</b>	<b>17,031,476</b>	<b>0.23</b>
<b>Exercisable at year-end</b>	<b>16,175,582</b>	<b>0.40</b>	<b>16,010,786</b>	<b>0.28</b>

The options outstanding at 30 June 2014 had a weighted average exercise price of \$0.41 and a weighted average remaining contractual life of 3.42 years. Exercise prices range from nil to \$1.12 in respect of options outstanding at 30 June 2014.

The weighted average fair value of the options granted during the year was \$0.29.

This price was calculated by using a Black Scholes model applying the following inputs:

- Weighted average exercise price \$0.69
- Weighted average life of the option 4.69 years
- Underlying share price \$0.50
- Expected share price volatility 134.50%
- Risk free interest rate 3.26%

\$544,644 is included under personnel expenses related to research and development expenses in the Statement of Profit or Loss and Other Comprehensive Income in the year ended 30 June 2014.

\$472,463 is included under corporate personnel expenses in the Statement of Profit or Loss and Other Comprehensive Income in the year ended 30 June 2014. All equity issued under the plan has been expensed in the current and prior periods.

Share Based Payments outside of Employees', Directors' and Consultants' Share and Option Plan

	2014		2013	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	18,512,645	0.27	22,012,645	0.27
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	(16,345,650)	0.27	-	-
Expired	-	-	(3,500,000)	0.30
<b>Outstanding at year-end</b>	<b>2,166,995</b>	<b>0.23</b>	<b>18,512,645</b>	<b>0.27</b>
<b>Exercisable at year-end</b>	<b>2,166,995</b>	<b>0.23</b>	<b>18,512,645</b>	<b>0.27</b>

There were no options granted during the year ended 30 June 2014 outside of the plan.

The options outstanding at 30 June 2014 had a weighted average exercise price of AUD\$0.23 and a weighted average remaining contractual life of 0.73 years.

All equity issued outside of the plan has been expensed in prior periods.

2004 US ADR Option Plan – Options

	2014		2013	
	Number of Options	Weighted Average Exercise Price USD\$	Number of Options	Weighted Average Exercise Price USD\$
Outstanding at the beginning of the year	-	-	380,000	5.00
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	(380,000)	5.00
<b>Outstanding at year-end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Exercisable at year-end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

There were no options exercised during the year ended 30 June 2014 under this plan.

There were no options granted during the year ended 30 June 2014 under this plan.

There were no options outstanding at 30 June 2014; all options expired unexercised in the prior period on 17 December 2012.

In the year ended 30 June and 2014, there was no value included under corporate personnel expenses in the Statement of Profit or Loss and Other Comprehensive Income related to equity issued under this plan. All equity issued under this plan has been expensed in prior periods.

### **Note 11. Events occurring after the reporting date**

No matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected or may significantly affect the operations of the Group, the result of those operations or the state of affairs of the Group in subsequent financial years.

### **Note 12. Audit**

These accounts are currently in the process of being audited. An Annual Report containing the audit report shall be provided in due course.

### DIRECTORS

Mr Geoffrey Kempler

Mr Brian Meltzer

Dr George Mihaly

Mr Peter Marks

Mr Lawrence Gozlan

Prof. Ira Shoulson

Executive Chairman and Chief Executive Officer

Non-Executive Independent Director

### COMPANY SECRETARY

Mr Richard Revelins

### AUDITORS

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Chartered Accountants

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### SECURITIES QUOTED

ASX

(Australian Securities Exchange)

Code: PBT (Shares)

NASDAQ

(North American Dealers Automated Quotation)

Code: PRAN (ADRs)

### WEBSITE

[www.pranabio.com](http://www.pranabio.com)