Proteomics International
LABORATORIES LTD

Annual Report 2022

2022

ACN 169 979 971

ASX: PIQ

Proteomics International

IDENTITY

Proteomics International is a medical technology company specialising in predictive diagnostics and advanced analytical services using proteomics – the industrial scale study of the structure and function of proteins.

MISSION

To improve the quality of lives by the creation and application of innovative tools that enable the improved treatment of disease.

VISION

To help create a world where disease is detected early and cured simply.

Contents

From the Chair

Dear Shareholder,

I am delighted to introduce Proteomics International's annual report on behalf of the Board, featuring activities and achievements for the year ended 30 June 2022.

Since joining the Board in November last year, I have been impressed by the drive, commitment, and professionalism of the Proteomics International team as we seek to realise the commercial value of the Company's flagship PromarkerD test for diabetic kidney disease while maintaining an active and successful research and development pipeline.

It has been a busy year and highlights include the achievement of several milestones:

- Study with Janssen Research & Development showed a diabetes drug offers a potential treatment for those patients at high-risk of developing diabetic kidney disease identified by PromarkerD.
- Successful production of a pilot batch of PromarkerD test components to assemble more than 50,000 tests to ISO 13485 international manufacturing standard.
- Expansion of the PromarkerD distribution network to Britain.
- The appointment of world-leading clinicians, specialising in nephrology and endocrinology, to the Company's Clinical Advisory Board, providing invaluable advice on clinical and commercial initiatives.
- Publication of studies consolidating the clinical performance and utility of PromarkerD.

It has also been exciting to see significant advances in the Company's pursuit of novel diagnostics tools. Development of the Company's diagnostic test for endometriosis has delivered successful preliminary results from a validation study in collaboration with the University of Melbourne and the Royal Women's Hospital. A diagnostic test for oesophageal cancer has also progressed, with the Company licensing biomarkers from QIMR Berghofer following successful initial clinical validation of the biomarkers in an earlier collaboration.

The Promarker™ platform has the potential to improve the lives of millions of people. We continue to strive to bring PromarkerD to people with diabetes globally and deliver novel diagnostics in areas of significant unmet medical need.

In recent weeks there has also been exciting progress towards the roll-out of PromarkerD in the United States, alongside a successful capital raising, and I look forward to detailing these developments next year.

Finally, I would like to acknowledge my predecessor Terry Sweet, who retired at the 2021 AGM. Mr Sweet was instrumental in taking the Company from its initial public listing as an R&D-focused $10 million enterprise to the commercially-driven $100 million (circa) business it is today.

Thank you for your continued investment in Proteomics International.

Yours sincerely,

Neville Gardiner
Chair, Proteomics International

Proteomics International Laboratories Ltd

Key Achievements

PromarkerD

- **Diabetes treatment lowers PromarkerD risk score**
  Collaborative study with Janssen Research & Development found a significant reduction in the risk scores of patients taking canagliflozin, an SGLT2-inhibitor diabetes drug
- **Clinical utility study demonstrates appeal of PromarkerD testing to clinicians**
  Research demonstrated PromarkerD can help inform doctors' treatment decisions to improve clinical outcomes for patients with type 2 diabetes
- **Manufacture of PromarkerD immunoassay test**
  Successful pilot batch of PromarkerD test components completed with Biotem producing key components to assemble more than 50,000 tests
- **PromarkerD distribution network expands to Britain**
  Distribution agreement with Apacor Limited (UK) to bring PromarkerD to patients in England, Scotland and Wales
- **PromarkerD significantly outperforms standard of care tests in predicting future kidney function decline**
  Study compared the PromarkerD test to standard of care tests during a four-year follow-up period
- **Clinical Advisory Board appointed**
  World-leading clinicians specialising in nephrology and endocrinology to advise the Company on its clinical and commercial initiatives
- **PromarkerD registration submitted to the TGA**
  Submission an important step for the national and global rollout
- **PromarkerD completed 'pre-assessment' for Medicare rebate**
  Application lays the groundwork for the test to be added to the Medicare Benefits Schedule
- **FDA advised regulatory pathway for PromarkerD in US**
  Notification from the United States Food and Drug Administration (FDA) that the PromarkerD test system should follow a De Novo classification pathway for regulatory approval
- **Study showed PromarkerD ability to also predict late-stage kidney decline in type-2 diabetes patients**
  Study extended the potential use of PromarkerD to predict a further decline in renal function among people who already have kidney disease
- **Intellectual property portfolio expanded**
  PromarkerD IP now covers 63% of the world's population living with diabetes

Diagnostics

ENDOMETRIOSIS

- **Agreement with University of Melbourne and Royal Women's Hospital to collaborate on a test for endometriosis**
  Partnership linked biomarkers discovered by Proteomics International with world-leading endometriosis database
- **Endometriosis clinical validation study and diagnostic model completed**
  Preliminary results showed several plasma proteins are statistically significant markers for endometriosis
- **Samples secured for independent validation of endometriosis biomarkers**
  Collaboration with St John of God Health Care allows access to further clinical samples

OESOPHAGEAL ADENOCARCINOMA

- **Successful clinical validation study for oesophageal adenocarcinoma**
  Proteomics International and QIMR Berghofer identified a panel of biomarkers with the potential to be used as a diagnostic test
- **Exclusive licence for oesophageal adenocarcinoma biomarkers**
  Proteomics International secured a worldwide licence to commercialise biomarkers first discovered at QIMR Berghofer

AIRWAY DISEASE

- **Proof-of-concept study identified multiple novel biomarkers for obstructive airway disease**
  Once validated, biomarkers have the potential to deliver a new diagnostic test for asthma and chronic obstructive pulmonary disease (COPD)

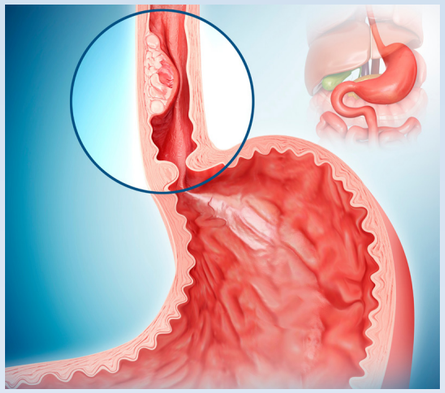
Analytical Services

- **Major analytical services contract for pharmacokinetic testing**
  Circa $400,000 contract part of growing partnership with Linear Clinical Research

Corporate

- **Board renewal**
  Dr Robyn Elliott and Neville Gardiner welcomed to the Board in November as independent, non-executive Directors

Window on the science



Oesophageal adenocarcinoma

Oesophageal adenocarcinoma is the most common type of oesophageal cancer in Australia. Early phases of the disease may not have symptoms, and the cancer is usually not detected until the advanced stages. The overall five-year survival for oesophageal cancer is less than 20 per cent.[1]

7th
most common cancer worldwide in 2018 was oesophageal cancer[1]

1 in 20
cancer deaths worldwide in 2018 attributed to oesophageal cancer[1]

1 in 125
men in the United States will be diagnosed with oesophageal cancer in their lifetime[2]

1 in 417
women in the United States will be diagnosed with oesophageal cancer in their lifetime[2]

Barrett's oesophagus

Barrett's oesophagus is a pre-malignant condition in which the normal tissue lining of the oesophagus changes to resemble the lining of the intestine. An estimated 10–15% of patients with chronic **acid reflux** develop Barrett's oesophagus.[1]

People with Barrett's oesophagus are much more likely to get oesophageal adenocarcinoma, and are advised to get regular endoscopies to screen for oesophageal cancer. In studies of Western populations, about 1–2 per cent of adults were estimated to have Barrett's oesophagus.[3]

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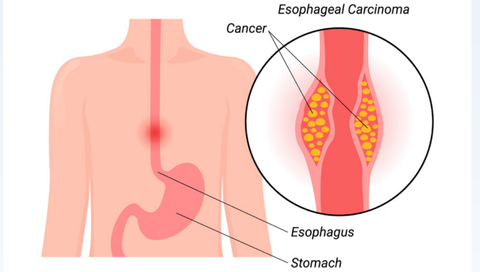
Current diagnosis

The most common investigation for oesophageal cancer currently is an endoscopy[1]. This expensive and invasive test sees a doctor use a thin, flexible tube with a camera at the end to look at a patient's digestive tract. A small amount of tissue may also be removed and examined by a pathologist to check for signs of disease. The test is usually performed as day surgery.

Impact

A simple blood test would help doctors diagnose people with oesophageal adenocarcinoma earlier. It would allow patients to get treatment earlier than they otherwise would, improving survival outcomes. The test would also help doctors decide treatment plans based on the assessment of the cancer's progression.



ESOPHAGEAL CANCER

The Promarker™ pipeline

Proteomics International is developing a simple blood test for oesophageal adenocarcinoma using diagnostic biomarkers that can distinguish between different stages of progression to the disease. Proteomics International has secured an exclusive worldwide license to commercialise the technology that was first discovered by researchers from QIMR Berghofer Medical Research Institute.

If successful, the test will target patients with Barrett's oesophagus to diagnose oesophageal adenocarcinoma without the need for an endoscope.

1 Nature Reviews Gastroenterology & Hepatology, doi.org/10.1038/s41575-021-00419-3
2 American Cancer Society
3 American Society for Gastrointestinal Endoscopy, www.asge.org

Technology Snapshot

The PromarkerD Immunoassay

With the successful production of over 50,000* PromarkerD tests for predicting diabetic kidney disease (DKD), Proteomics International is one step closer to helping people receive better treatment for DKD through earlier detection of the disease.

PromarkerD
PROACTIVELY CHANGING RENAL HEALTHCARE
A simple blood test for predicting diabetic kidney disease

The PromarkerD test uses cutting-edge biomarker technology to help patients plan more effective treatments (with their doctor) against diabetic kidney disease (DKD).

PromarkerD measures three protein biomarkers [Apolipoprotein A4, CD5 antigen-like, Insulin growth factor binding protein] from plasma together with standard clinical factors [age, high-density lipoprotein (HDL) cholesterol concentration, estimated glomerular rate (eGFR)] to provide patients their risk score of developing DKD in the next 4 years.

What's in the kits?

- Microplates Coated with Capt*Sure*™ Reagent[1]
- Microplate Seals
- Sample Dilution Buffer
- Detection Reagent
- Wash Buffer
- Stop Solution
- Quality Control (QC)
- Capture Antibody Reagents
- Detection Antibody Reagents
- Freeze Dried Stock Biomarker Standard

* Each PromarkerD kit manufactured has enough reagents for 76 tests

The PromarkerD process:

From the patient's perspective:

1. The doctor recommends that a PromarkerD test should be done to determine the patient's risk score of developing diabetic kidney disease (DKD).
2. A blood sample is collected and sent to the testing laboratory.

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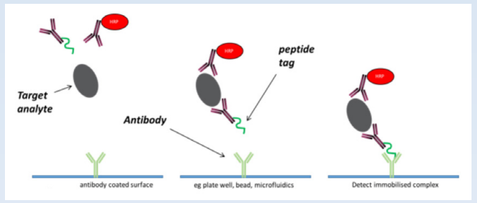
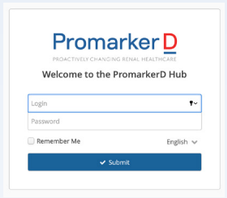
In the lab:

3. The PromarkerD Capt*Sure*™ test:
   a. The samples, standards, and QC are pipetted into the microplates (each plate is dedicated to measuring one of the three biomarkers).
   b. For each plate, a specific mixture of Capture Antibody and Detection Antibody Reagent is added to bind the target protein biomarkers.
   c. Detection Antibodies bind to the biomarkers, while Capture Antibodies bind to the biomarkers and the microplate.
   d. Wash Buffer is used to wash away anything that is not bound to the microplate.
   e. After Wash Buffer is removed, Detection Reagent is added to the microplate. The detection reagent reacts with the Detection Antibodies, causing colour to appear in the solutions. The more biomarker captured, the more intense the colour generated.
   f. The reactions are halted when the Stop Reagent is added to the microplate.
   g. A plate reader measures the amount of light absorbed to determine the concentration of each biomarker.



4. The results are analysed; standards and QC are checked to ensure the results are valid.
5. The biomarker results and clinical measurements are uploaded to the PromarkerD hub.
6. A test report is automatically generated for the clinician showing the risk score of developing DKD in the next 4 years.



LOW RISK	MODERATE RISK	HIGH RISK
0% to <10% **Low four-year risk of developing DKD.**	**10% to <20%** **Moderate four-year risk of developing DKD.**	**20% to 100%** **High four-year risk of developing DKD.**
Standard diabetes monitoring. Retest annually.‡	Consider more frequent monitoring. Retest every 6 months.‡	Consider very close monitoring. Retest every 3 months.‡

Back to the patient:

7. The patient meets with their doctor who is then able to provide more accurate treatments for the patient.

1. Capt*Sure*™ Technology (by TGR BioSciences, an Abcam Company) is a next generation immunoassay that delivers a faster and simpler assay protocol.

Directors' Report

The Directors present their report on Proteomics International Laboratories Ltd (ASX:PIQ; Proteomics International or the Company) and the consolidated entity (referred to hereafter as the Group) for the year ended 30 June 2022.

DIRECTORS

The Directors of the Company in office during the financial year and until the date of this report are as follows:

Mr Neville Gardiner	(Non-Executive Chairman)	(Appointed 16 November 2021)
Mr Terry Sweet	(Non-Executive Chairman)	(Retired 25 November 2021)
Dr Richard Lipscombe	(Managing Director)	(Appointed 9 June 2014)
Dr Robyn Elliott	(Non-Executive Director)	(Appointed 16 November 2021)
Mr Paul House	(Non-Executive Director)	(Appointed 22 November 2017)
Mr Roger Moore	(Non-Executive Director)	(Appointed 14 October 2016)

OPERATING RESULT

To be read in conjunction with the attached Consolidated Financial Report (see page 43).

The operating result for the year was:

	Change	CONSOLIDATED 2022	2021
Loss before income tax	74%	**$4,972,960**	$2,859,663
Loss for the year	74%	**$4,972,960**	$2,859,663
Comprising			
Revenue and Other income	15%	**$3,436,458**	$2,988,493
Expenses	44%	**$8,409,418**	$5,848,156

The Group's financial report for the year ended 30 June 2022 includes:

- Operating revenue from analytical services grew to $1.49 million, an increase of 14% compared to the previous year.
- Combined Income from all sources increased 15% to $3.44 million. Revenue from ordinary activities encapsulates income from analytical services and Grant Income including the R&D incentive.
- Operational Expenditure increased to $8.41 million, and focused on the commercialisation and production of the PromarkerD test and expansion of the Promarker™ diagnostics pipeline.
- The loss from ordinary activities increased 74% to $4.97 million, which reflects normal operational costs and non-cash items including share-based payments.
- The net cash outflow from operating activities was $3.54 million, an increase of 60%.
- At 30 June 2022 the Group had cash reserves of $2.11 million, and trade and other receivables of $0.4 million. On the back of the Company's research and development focus, it anticipates an R&D Tax Incentive cash rebate of $1.71 million, to be received in the December Quarter of 2022.

DIVIDENDS

No dividend was paid during the year and the Board has not recommended the payment of a dividend.

ISSUED CAPITAL

105,705,875 fully paid ordinary shares (ASX: PIQ), 7,990,279 unlisted options and 439,977 performance rights were on issue as at 30 June 2022.

ANNUAL GENERAL MEETING

Proteomics International advises that its 2022 annual general meeting (AGM) is scheduled to be held on 24 November 2022. The Company encourages shareholders to attend the AGM and receive an update on the strategy and initiatives of the Group.

Proteomics International Laboratories Ltd

Review of Operations

A growth cycle driven by the Company's strengths

Principal activities

Proteomics International is a pioneering medical technology company operating at the forefront of predictive diagnostics and bio-analytical services. The Company specialises in the area of proteomics– the industrial scale study of the structure and function of proteins.

Proteomics International's business model is centred on the commercialisation of the Company's pioneering test for diabetic kidney disease, PromarkerD. The Company offsets the cash burn from R&D and product development through provision of specialist analytical services, whilst using its proprietary Promarker™ technology platform to create a pipeline of novel diagnostic tests.

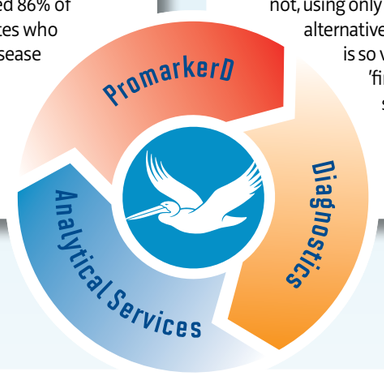
Proteomics International is a wholly-owned subsidiary and trading name of Proteomics International Laboratories Ltd (PILL; ASX: PIQ), and operates from state-of-the-art facilities located on the QEII Medical Campus, Perth, Western Australia.

1. PromarkerD

Targeting the global diabetes epidemic, PromarkerD is a predictive diagnostic test for diabetic kidney disease, a progressive disorder found in one in three adults with diabetes. The prevalence of kidney disease is rising rapidly and many patients progress to need dialysis or a kidney transplant. In peer reviewed clinical studies PromarkerD correctly predicted 86% of otherwise healthy people with diabetes who went on to develop chronic kidney disease within four years[1].

2. Diagnostics

Proteomics International's diagnostics development is made possible by the Company's proprietary biomarker discovery platform called Promarker™, which searches for protein 'fingerprints' in a sample. This disruptive technology can identify proteins that distinguish between people who have a disease and people who do not, using only a simple blood test. It is a powerful alternative to genetic testing. The technology is so versatile it can be used to identify 'fingerprints' from any biological source, from wheat seeds to a blood sample. The global biomarkers market is expected to reach USD 147.6 billion by 2028[2].



3. Analytical Services

Specialist contract research focusing on biosimilars quality control and pharmacokinetic testing for clinical trials. Australia is a global leader in clinical trials due to its efficient regulatory framework and high-quality trial sites, and all samples from each trial require specialist analytical testing.

Significantly, the fastest growing class of drugs entering clinical trials is biologics and biosimilars. The global clinical trials market is projected to reach USD 78.3 billion by 2030[3], whilst the market size of the global biosimilar market was valued at USD 15.6 billion in 2021, and is projected to reach USD 44.7 billion by 2026[4]. The global proteomics market was valued at USD 21.1 billion in 2019, and is expected to reach USD 50.0 billion by 2027[5].

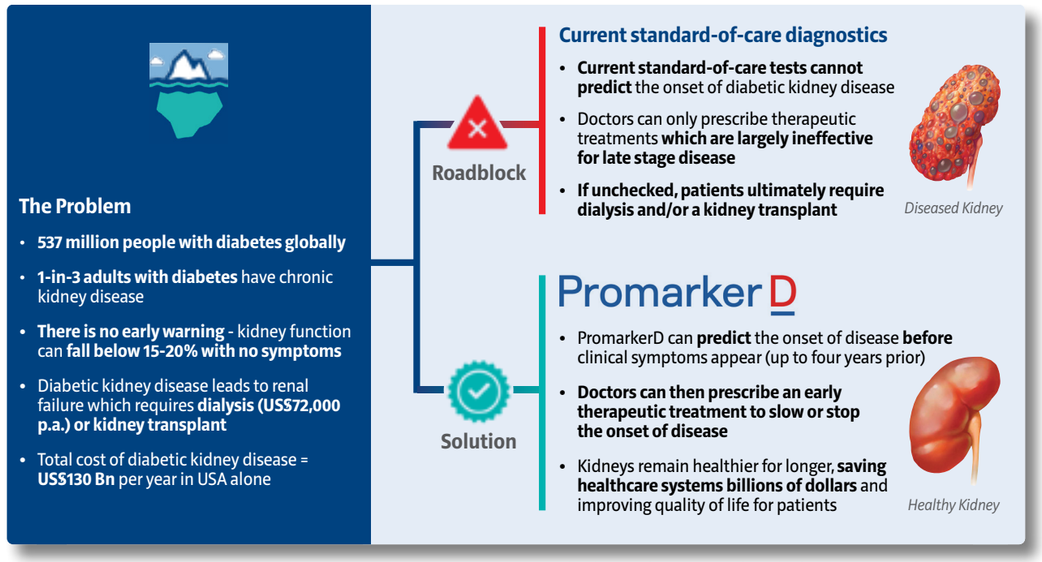
1. For further information see the PromarkerD web portal: **www.PromarkerD.com**
2. Grand View Research 2021: Biomarkers Market Size
3. Grand View Research 2022: Clinical Trials Market Size
4. Markets and Markets 2021: Biosimilars Market by Product
5. Allied Market Research 2021: Proteomics Market by Component

PromarkerD

Proteomics International continues to progress the worldwide roll-out of its flagship PromarkerD test for diabetic kidney disease. The Company has made significant advances across licensing and distribution, manufacturing and regulatory approvals.

In 2021-22, key milestones include demonstrating that at-risk patients identified by PromarkerD could potentially be treated with SGLT2-inhibitor drugs (see Annual Report 2021 – Technology Snapshot – Gliflozins), contracting of Northern Hemisphere manufacturers and successful technology transfer, and progression towards roll-out of PromarkerD in the major markets of the United Kingdom and United States.

Problem & Solution



Source: International Diabetes Federation (IDF) Atlas 10th Edition 2021. US Renal Data System 2020

About PromarkerD

Diabetic kidney disease (DKD) is a serious complication arising from diabetes which if unchecked can lead to dialysis or kidney transplant. PromarkerD is a prognostic test that can predict future kidney function decline in patients with type 2 diabetes and no existing DKD. The patented PromarkerD test system uses a simple blood test to detect a unique 'fingerprint' of the early onset of the disease. In published clinical studies, PromarkerD correctly predicted which otherwise healthy patients with diabetes went on to develop diabetic kidney disease within four years.

Further information is available through the PromarkerD web portal: **www.PromarkerD.com**

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PromarkerD – Licensing and distribution

Proteomics International continues to target the global roll-out of PromarkerD across multiple regions.

PromarkerD expands to the US

Subsequent to the year end, the Company announced that after an extensive evaluation period it had signed a binding and exclusive Letter of Intent (LOI) with Sonic Healthcare USA, Inc. (a division of Sonic Healthcare Ltd) (Sonic Healthcare USA) regarding entering into an exclusive licence for use of PromarkerD in the United States. The LOI documents the preliminary terms and expectations for how Proteomics International and Sonic Healthcare USA will work together to bring the PromarkerD test to patients in the US (excluding Puerto Rico), and for finalising an Exclusive Licence Agreement. The PromarkerD test will be launched in the US via the Laboratory Developed Test (LDT) pathway using Sonic Healthcare USA's CLIA certified clinical laboratories.

PromarkerD distribution network expands to Britain

In November, Proteomics International signed a distribution agreement with Apacor Limited (UK) to bring PromarkerD to patients in England, Scotland and Wales. The distribution agreement provides medical diagnostics company Apacor Limited with the right to sell the immunoassay version of the PromarkerD test.

Apacor have 25 years of experience in medical and analytical diagnostics and specialise in bringing ground-breaking technologies to their customers. Importantly, Apacor have strong relationships with government and professional healthcare bodies across the UK.

Proteomics International's partnering activities

Territory	Partner	Agreement Type	Technology	Status	Start/Term	Commentary
Targets 30 Jun 2022						
USA		Licence	Immunoassay-LDT	In negotiation		Negotiations advance towards execution with potential laboratory partners.
Europe		Distribution	Immunoassay Kit	In discussion		Discussions ongoing with new potential distributors for France, Ireland, Italy, Poland, Spain.
RoW		Licence /Distribution	Immunoassay	Market/partner assessment		Country market assessments have been completed for all sales territories covered by the Company's patent portfolio. Potential strategic partners are being identified.
Partners 30 Jun 2022						
UK	Apacor	Distribution [Exclusive]	Immunoassay Kit	Live [Pre-launch]	Nov 2021-23	Preparing documentation for reimbursement assessment by UK National Health Service (NHS).
Israel	Zotal	Distribution [Exclusive]	Immunoassay Kit	Live [Inactive]	Nov 2020-22	Registration of PromarkerD in Israel on hold since Feb 21 pending: (1) kit manufacturer to ISO 13485; (2) PromarkerD sales in another region. In negotiation about future steps.
Puerto Rico & Dominican Republic	Omics Global Solutions	Technology Licence [Exclusive]	Innovatio ND2 (developed own Immunoassay)	Live	Aug 2016-31*	Test launched in Puerto Rico via Immuno Reference Lab June 2022. Currently focused on KOL awareness initiatives.
Ireland	Atturos	Technology Licence [Non-exclusive]	MS-LDT	Live [Inactive]	Feb 2020-23	Technology transfer completed for PromarkerD MS-LDT.
Italy	Medical Horizons	Distribution [Exclusive]	Immunoassay Kit	Terminated [Dormant]	Oct 2020-22	Agreement terminated 27 July 2022.†
Spain	Patia Europe	Licence [Exclusive]	MS-LDT	Expired [Dormant]	Nov 2018-20	Agreement expired.
Mexico	Patia BioPharma	Licence [Exclusive]	MS-LDT extended to Immunoassay	Expired [In negotiation]	Jun 2018-21	Registration of PromarkerD in Mexico on hold since Jun 21 pending: (1) kit manufacturer to ISO 13485; (2) Free sale certificate following TGA or FDA registration. In negotiation about future steps.

MS - mass spectrometry LDT - Laboratory developed test * Life of Patents (20 Sep 2031)

† Proteomics International is in discussions with several parties for new EU sales territories, including the Italy market. The Italian distribution agreement was the Company's first immunoassay partner immediately prior to the Covid-19 pandemic and Proteomics International has now adopted an improved assessment system to qualify potential new partners based on key capabilities required to successfully launch, promote and run the PromarkerD test.

PromarkerD – Manufacturing

The completion of technology transfer represented a major milestone and enables production of PromarkerD for large-scale global distribution.

Northern Hemisphere manufacturers engaged for PromarkerD immunoassay test

Proteomics International has strengthened its supply chain for scale-up of PromarkerD production by contracting European immunoassay specialist Biotem to manufacture PromarkerD test kits and engaging global life science company Abcam plc to produce specialist reagents for the immunoassay version of the test.

The milestone agreements will see Biotem, an ISO 13485 certified manufacturer, produce the PromarkerD immunoassay kit using specialist reagents (antibodies and recombinant proteins) produced by Abcam.

In June, a pilot batch of PromarkerD test components was successfully completed with Biotem producing key components to assemble more than 50,000 tests.

Company awarded more than $500,000 manufacturing funding

In November 2021, Proteomics International was awarded a $100,000 voucher to support the manufacture of clinical diagnostic tests in Western Australia. The funding was made possible through the MTPConnect WA Life Sciences Innovation Hub MTP Manufacturing Voucher Program, and was announced by WA State Development, Jobs and Trade Minister Roger Cook.

In May 2022, Proteomics International was awarded a further $413,516 in funding to support the PromarkerD manufacture in Australia. The funding was awarded by MTPConnect as part of the Australian Government's $45 million BioMedTech Horizons program, an initiative of the Medical Research Future Fund. All funding will be matched dollar-for-dollar by Proteomics International.

Proteomics International Laboratories Ltd

PromarkerD – Clinical

The strong evidence base underpinning PromarkerD continues to grow.

Diabetes treatment lowers PromarkerD risk score (Janssen Stage 2 Collaboration)

A collaborative study conducted by Proteomics International and Janssen Research & Development found a significant reduction in the PromarkerD risk scores of patients with type 2 diabetes taking canagliflozin, an SGLT2-inhibitor diabetes drug.

The study was the second stage of the collaboration between Proteomics International and Janssen, in which the companies examined the association between canagliflozin, an approved diabetes therapy with additional renal benefits, and change in PromarkerD score. The research measured PromarkerD scores in blood samples from more than 2,000 patients in the completed CANVAS clinical trial.

The results showed the average PromarkerD risk score of patients taking canagliflozin dropped during the three-year trial, while the average risk score of patients taking a placebo rose. The biggest reductions were seen in the patients classified by PromarkerD at the start of the trial as at high risk of developing DKD. The findings were presented at the Australasian Diabetes Congress in August 2021.

PromarkerD significantly outperforms standard of care tests in predicting future kidney function decline

A clinical study demonstrated that the PromarkerD test for diabetic kidney disease outperforms current standard of care tests in predicting the onset of diabetic kidney disease. The research compared the PromarkerD test to standard of care tests, the estimated glomerular filtration rate (eGFR) and urinary albumin:creatinine ratio (ACR) during a four-year follow-up period.

The clinical study involved retrospective analysis of more than 850 community-based patients with type 2 diabetes from the Fremantle Diabetes Study Phase II. Results showed PromarkerD correctly identified 84% of patients with normal kidney function who went on to experience kidney function decline in the next four years.

Critically, all of these patients would have been missed by the eGFR and ACR tests which constitute the current gold standard of care under the global KDIGO (Kidney Disease Improving Global Outcomes) guidelines for risk classification. The study was presented at Kidney Week 2021, the annual meeting of the American Society of Nephrology (ASN), in November.

PromarkerD Presentations & Publications 2022

PromarkerD Predicts Late-Stage Renal Issues

Peters KE. et al. PromarkerD Predicts Late-Stage Renal Function Decline in Type 2 Diabetes in the Canagliflozin Cardiovascular Assessment Study (CANVAS). Poster presented at the American Diabetes Association's 82nd Scientific Sessions, 2022

PromarkerD vs Standard of Care

Peters KE, et al. A Comparison of PromarkerD to Standard of Care Tests for Predicting Renal Decline in Type 2 Diabetes. Poster presented at Kidney Week 2021, the annual meeting of the American Society of Nephrology (ASN), 2021

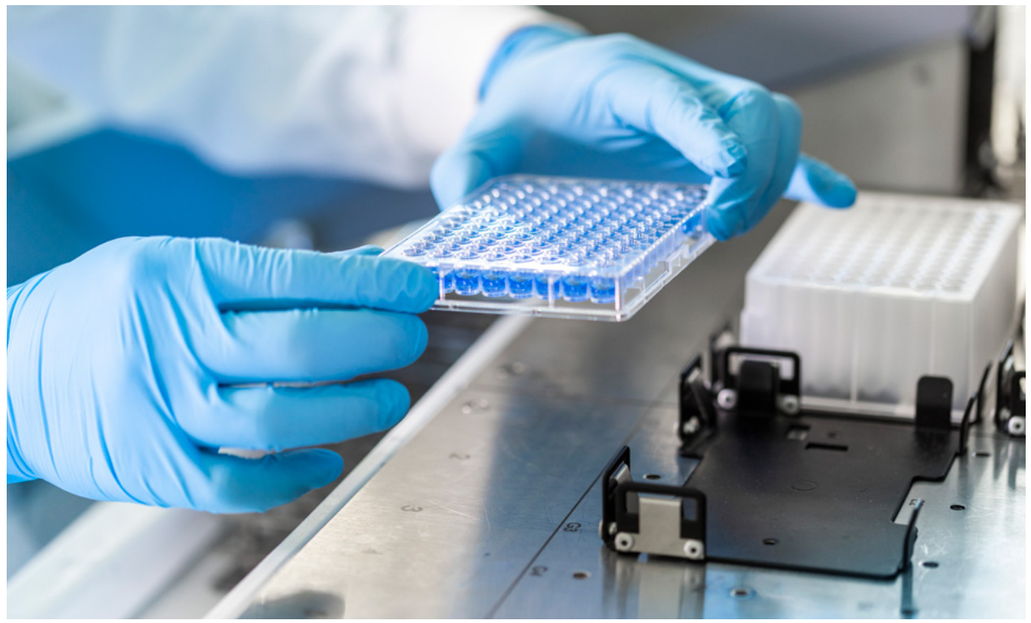
Clinical Utility Study

Fusfeld L, et al. Evaluation of the Clinical Utility of PromarkerD In-Vitro Test in Predicting Diabetic Kidney Disease and Rapid Renal Decline. Poster presented at AMCP Nexus, 2021. Published in PLOS ONE subsequent to the year end.

Drug Treatment Study

Kirsten KE, et al. Canagliflozin attenuates PromarkerD diabetic kidney disease risk prediction scores. Poster presented to the Australasian Diabetes Congress, 2021

PromarkerD – Clinical



Clinical utility study demonstrates appeal of PromarkerD testing to clinicians

A clinical utility study demonstrated that PromarkerD can help inform doctors' treatment decisions to improve clinical outcomes for patients with type 2 diabetes. The US-based web survey of 400 primary care physicians and endocrinologists found the PromarkerD test significantly impacted physicians' prescribing and monitoring decisions.

The analysis showed that PromarkerD tests were more important to physicians than the current standard-of-care tests – eGFR and ACR. More than three-quarters of physicians reported they were very or extremely likely to use PromarkerD in the future.

The results were presented at AMCP Nexus, a managed-care pharmacy conference in Denver, USA, in association with Veranex Solutions (formerly Boston Healthcare Associates) and specialist US endocrinologists, in October.

Subsequent to the year end, Proteomics International announced that the study demonstrating the clinical utility of the PromarkerD test in predicting diabetic kidney disease was published in the journal PLOS ONE (a peer-reviewed, open access journal published by the Public Library of Science).

Study showed PromarkerD ability to also predict late-stage kidney decline in type-2 diabetes patients

An additional study demonstrated the potential ability of the PromarkerD test to predict late-stage renal decline. PromarkerD is already a proven diagnostic test for diabetic kidney disease, predicting the onset of the condition up to four years in advance. This study extended the potential use of PromarkerD to predict a further decline in renal function among people who already have kidney disease.

The research is preliminary but showed PromarkerD has the potential to warn of late-stage outcomes, such as progression to macroalbuminuria, in patients both with and without existing kidney damage.

The finding came from analysis of the completed CANagliflozin cardioVascular Assessment Study (CANVAS), as part of the ongoing collaboration between Proteomics International and Janssen Research & Development, LLC. The results were presented at the American Diabetes Association's 82nd Scientific Sessions, in June in New Orleans, United States.

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PromarkerD – Regulatory and reimbursement

Proteomics International is pursuing regulatory approval in multiple jurisdictions as part of its global commercialisation strategy.

PromarkerD registration submitted to the TGA

In June 2022, Proteomics International filed a submission to the Australian Therapeutic Goods Administration (TGA) for inclusion of PromarkerD in the Australian Register of Therapeutic Goods (ARTG). The submission is an important step for the national and global rollout of PromarkerD because Australia is one of the major reference countries, in addition to the US Food & Drug Administration (FDA), European Union CE Mark, Health Canada and Japan.

The TGA will now review the submission, a process which is expected to take six to nine months. If approval for registration is successful then PromarkerD can be sold in Australia.

FDA advised regulatory pathway for PromarkerD in US

In November 2021, Proteomics International received notification from the United States Food and Drug Administration (FDA) that the PromarkerD test system should follow a De Novo classification pathway for regulatory approval. The De Novo pathway for medical device marketing in the US was added by the FDA to address novel devices of low to moderate risk, such as blood tests, that do not have a valid predicate device, i.e. there is no similar device already approved.

The PromarkerD test will first be launched in the US via the LDT pathway via CLIA (Clinical Laboratory Improvement Amendments) certified laboratories. This pathway does not require FDA approval and is commonly used for novel diagnostic tests.

PromarkerD completed 'pre-assessment' for Medicare rebate

In February 2022, Proteomics International completed the 'pre-assessment' phase of Australia's medical reimbursement system for PromarkerD. The application lays the groundwork for the test to be added to the Medicare Benefits Schedule (MBS), an important step in bringing PromarkerD to the Australian market. Inclusion on the schedule would mean eligible patients receive a Medicare rebate for the test.

Groundwork for PromarkerD reimbursement code in US

Proteomics International is set to seek a reimbursement code for the PromarkerD test in the US, following extensive engagement with expert panels representing physicians, laboratories and payors, conducted alongside comprehensive economic health benefit modelling and its clinical utility study demonstrating the appeal of the test to clinicians (see PromarkerD – Clinical).

Reimbursement codes and payer coverage in the US are initiated through the American Medical Association (AMA) and its Current Procedural Terminology (CPT) Editorial Panel. This code, known as a CPT Proprietary Laboratory Analyses (PLA) code, uniquely identifies a test for the laboratory and the payors.

A payer budget impact study was conducted by US based consultant Veranex Solutions (formerly Boston Healthcare Associates) to demonstrate the potential economic health benefit of the PromarkerD test compared to the current standard of care. All companies seeking reimbursement for any new test are required to provide a dossier demonstrating the potential benefits of the test to insurance companies and other payors in the US.

PromarkerD – Market

Proteomics International is pursuing multiple avenues to drive the global uptake of PromarkerD through engagement with key professional bodies and clinical experts in diabetes and nephrology.

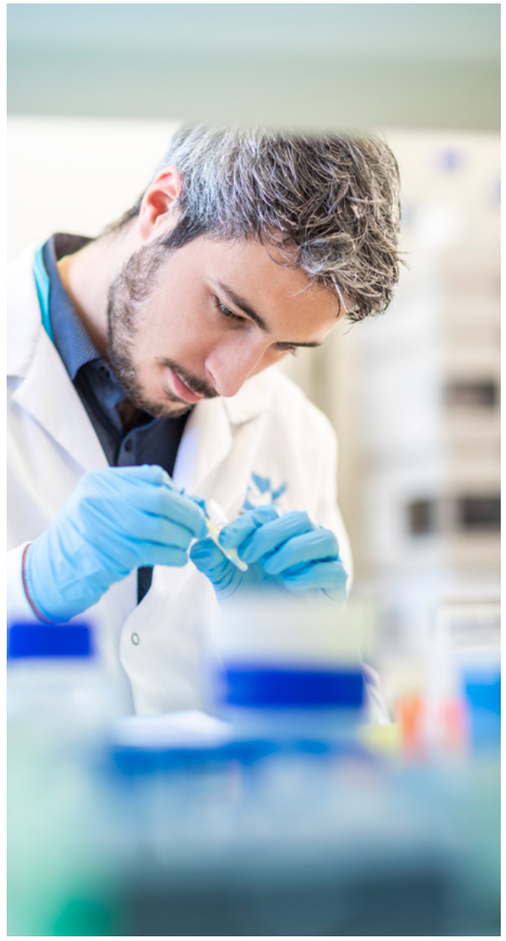
Clinical Advisory Board appointed

Proteomics International has assembled a team of world leading clinicians specialising in nephrology and endocrinology to advise the Company on its clinical and commercial initiatives towards a successful launch of the PromarkerD test for diabetic kidney disease to physicians globally.

The Key Opinion Leaders (KOLs) will serve as global brand ambassadors and provide validation towards the Company's clinical and commercial initiatives, providing specific and tailored advice from the voice of the customer perspective to assist the rollout of the PromarkerD test.

PromarkerD – Intellectual property

The Company's PromarkerD intellectual property portfolio covers 63% of the world's population living with diabetes.



PromarkerD patent granted in India

In March 2022, Proteomics International was awarded a patent for PromarkerD in India. The country is home to more than 74 million people with diabetes, according to the International Diabetes Federation, and that number is expected to rise to almost 93 million by 2030. India has one of the highest number of adults living with diabetes in the world, second only to China.

Proteomics International already has a strong analytical services footprint in India, having operated in the country since 2004. The India patent complements those already granted in the USA, Europe, Australia, Brazil, Canada, China, Indonesia, Russia, Singapore and Japan. The India patent (no. 390245) is titled 'Biomarkers associated with pre-diabetes, diabetes and diabetes related conditions', and will extend until September 2031.

European PromarkerD patent expanded beyond diabetes

Subsequent to the year end, Proteomics International announced that its European patent protection for the Company's PromarkerD predictive test had been expanded to include diagnosing all individuals who are prediabetic and asymptomatic for kidney disease. The European patent has been granted for France, Germany, Italy, Spain, Turkey and the United Kingdom, effective 27 July 2022, and is titled "Biomarkers Associated with Pre-diabetes, Diabetes and Diabetes Related Conditions" (patent number 3343226, and is valid until September 2031).

Proteomics International Laboratories Ltd

PromarkerD - Intellectual Property

PromarkerD Patent Coverage

Diabetic Kidney Disease[1]

"Biomarkers associated with pre-diabetes, diabetes and diabetes related conditions"
- Derived from International Patent Application PCT/AU2011/001212
- All patents valid until September 2031

Country/Region	Application/ Patent No.	Patent Title	Diabetes Prevalence[2]
Australia	2011305050		1,491,800
Brazil	BR 11 2013 006764 0		15,733,600
Canada	2811654		2,974,000
China	ZL201180053583.9		140,869,600
Europe[3]	3151012	Biomarkers Associated with Diabetic Nephropathy	61,425,100
Hong Kong[4]	18115912.3		686,000
India	390245		74,194,700
Indonesia	W00 2013 01585		19,465,100
Japan	2013-528474		11,005,000
Russia	2596486		7,392,100
Singapore	188527		711,800
USA	9146243	Method of assessing diabetic nephropathy using CD5 antigen-like	32,215,300
			368,164,100 **Total**

Pre-Diabetes and Diabetes[5]

- Patent valid until September 2031

Country/Region	Application/ Patent No.	Patent Title	Pre-diabetes Prevalence[6]
Europe[7]	3343226	Biomarkers Associated with Pre-diabetes, Diabetes and Diabetes Related Conditions	54,780,200

Kidney Disease[5]

Country/Region	Patent No.	Patent Title	Kidney Disease Prevalence
Australia	2015202230	Biomarkers associated with kidney disease (Valid until September 2031)	1,700,000[8]
USA	9733259	Method of assessing a subject for abnormal kidney function (Valid until September 2031)	
USA[10]	US7842463	Method of diagnosing early stage renal impairment (Valid until 30 September 2027)	37,000,000[9]
USA	10191067B2	"Method for Identifying an Agent for Treating Abnormal Kidney Function" (Valid until September 2031)	
Europe[10]	EP1941274	Method for predicting the progression of chronic kidney disease by measuring apolipoprotein a-iv (Valid until 8 September 2026)	100,000,000[11]

[1] Clinical studies have validated the use of PromarkerD as a diagnostic and prognostic test for diabetic kidney disease
[2] International Diabetes Federation (IDF) Atlas 10th Edition 2021 [Age group 20-79 years] with diabetes in 2021
[3] Validated in France, Germany, Italy, Turkey, Spain, United Kingdom which cumulatively have 32.8 million adults with diabetes
[4] Pending
[5] Further studies needed to demonstrate that PromarkerD can be used to diagnose any form of kidney disease beyond diabetic kidney disease, or identifying a potential drug target
[6] International Diabetes Federation (IDF) Atlas 10th Edition 2021 [Age group 20-79 years] with impaired glucose tolerance in 2021
[7] Granted in France, Germany, Italy, Spain, Turkey and the United Kingdom, which cumulatively have 31.8 million adults with pre-diabetes
[8] Australian Institute of Health and Welfare
[9] Centers for Disease Control and Prevention. Chronic Kidney Disease in the United States, 2021
[10] Licensed exclusively to Proteomics International from the University of Innsbruck
[11] European Kidney Healthcare Alliance

Promarker™ Trademark Coverage

The patents cover use of the test for diabetic kidney disease (DKD) unless otherwise stated.
- Class 44 - Medical diagnostic services (No 1776917)
- Class 5 - Diagnostic apparatus for medical purposes including diagnostic kits (No 1806616)

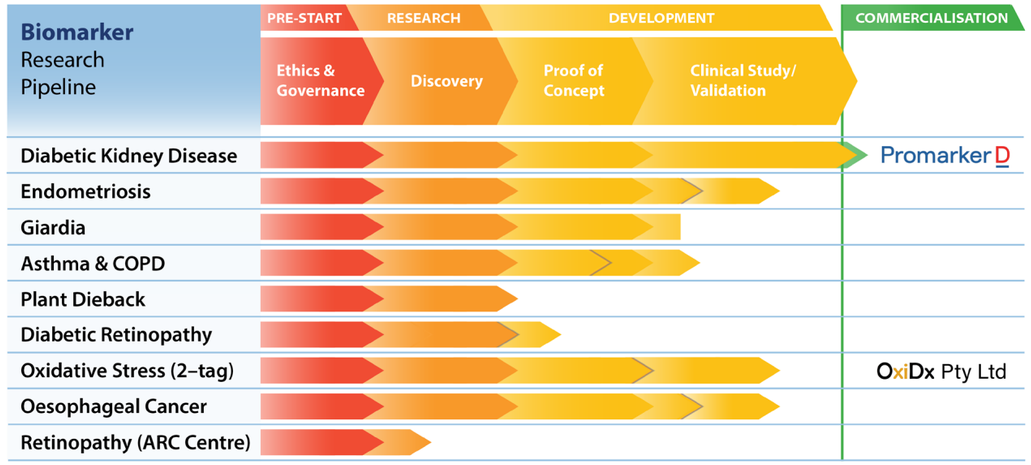
Country/Region	Status
Australia, Dominican Republic, European Union, Israel, Japan, South Korea, Mexico, New Zealand, Russia, Singapore, USA	Granted
China	*Pending*

Diagnostics

Significant advances in several biomarker research programs seeking to develop simple new diagnostic (Dx) tests in areas of significant unmet need.

Promarker™ pipeline advances
Proteomics International continues to reap the benefits of the Company's strategy to expand its diagnostic development pipeline in 2020. Several biomarker research programs are progressing to the next stage of the Promarker™ pipeline, with four at the 'clinical validation' stage. Grey lines indicate project progress as reported in The Company's 2021 Annual Report. All programs are in areas of unmet need and have the potential to deliver significant value for the Company.

DIAGNOSTICS RESEARCH AND DEVELOPMENT – THE PROMARKER™ PIPELINE



Endometriosis
Status update: Clinical Validation study completed; Statistical analysis ongoing.

Endometriosis is a common and painful disease that affects one in nine women and girls [see Annual Report 2021: Window on the Science]. It occurs when tissue similar to the lining of the uterus grows into other parts of the body where it does not belong. At the moment, there is no simple way to test for the condition, which often causes pain and infertility, and costs Australia $9.7 billion each year[1].

The current gold standard for detection is an invasive laparoscopy, a surgical procedure where a camera is inserted into the pelvis through a small cut in the abdominal wall. On average, it takes women 7.5 years to be diagnosed[2].

In August 2021, the Company signed a research agreement with the University of Melbourne and the Royal Women's Hospital to collaborate on a non-invasive test for endometriosis. Proteomics International conducted a clinical validation study of its biomarkers on samples from the University of Melbourne and the Royal Women's Hospital.

Subsequent to the year end, the Company announced that an early version of its potential world-first blood test for endometriosis had successfully detected up to 78 per cent of people with the painful condition. The results were presented at the Fertility Society of Australia and New Zealand Annual Conference (FSANZ 2022). The Company will now seek to confirm the clinical performance of the new test in an independent patient cohort. To support this independent validation, Proteomics International announced an additional collaboration with St John of God Health Care.

Giardia (causing gastroenteritis)
Status update: Project ceased.

Validation study results were inconclusive and the decision was made to terminate the current project plan.

1 www.endometriosisaustralia.org
2 www.endometriosis-uk.org

Proteomics International Laboratories Ltd

Diagnostics

Asthma & COPD
Status update: Proof-of-concept study completed; clinical validation pending.

Proteomics International completed a proof-of-concept study that identified multiple novel protein biomarkers for obstructive airway disease. These biomarkers, once validated, have the potential to deliver a new diagnostic test for asthma and chronic obstructive pulmonary disease (COPD).

The proof-of-concept study, performed in collaboration with the Busselton Population Medical Research Institute, analysed plasma samples from 75 individuals with a range of symptoms including airway obstruction, atopy, bronchial hyper-responsiveness and healthy controls. The results were presented at the 27th Lorne Proteomics Symposium, Victoria.

Proteomics International will now work with its collaborators to validate the biomarkers in larger clinical cohorts and refine the panel of biomarkers into a potential new blood test for diagnosing obstructive airway disease. The Company also filed a patent application covering screening, diagnostic and prognostic methods of using these airway disease biomarkers.

Plant dieback
Status update: Discovery phase successfully completed. Validation phase to begin.

Proteomics International has an ongoing collaboration with the Centre for Crop and Disease Management (Curtin University) to target the plant pathogen Phytophthora cinnamomi, which is responsible for plant dieback that affects a wide variety of native plant species and premium crops such as avocados and macadamias. The estimated cost to the Australian economy is $160 million per year for damage to natural vegetation alone. Current investigations are focused on proteomic analysis (determining the protein maps) of the life stages of the organism and how it infects its host. This may lead to a field test for the easier detection of infected soil, and has the potential to identify weaknesses in the pathogen that could be targeted to help eradicate this disease.

A large number of biomarkers for the identification of plant dieback have been discovered with the next step to determine their detection level in 'real life' samples of soil or plant material. This path is being pursued to develop a diagnostic test for the presence of Dieback.

Diabetic retinopathy
Status update: Discovery study complete. Proof-of-concept underway.

Following the success of the diabetic kidney disease project, Proteomics International extended its collaboration agreement with The University of Western Australia to seek early markers for diabetic retinopathy, the major cause of blindness in the US.

This collaboration is applying the Promarker™ platform to look for prognostic markers in the blood that can identify patients at risk of retinopathy, especially sight-threatening retinopathy. The program is again utilising the Fremantle Diabetes Study which provided the rich sample repository that led to PromarkerD.

Oxidative stress (2-tag)
Status update: Validation studies pending; Commercialisation discussions underway.

Proteomics International has formalised its long-term collaboration with The University of Western Australia (UWA) to develop methodology that could become the next generation of medical diagnostic tests. OxiDx Pty Ltd (OxiDx), an incorporated joint venture between the Company and UWA, has been formed to unlock the value from the patented "2-tag" technology which measures the oxidative stress in a system. The patents covering the '2-tag" method (See page 20) are held by Two-Tag Holdings Pty Ltd, a wholly owned subsidiary of OxiDx.

Oesophageal cancer
Status update: Initial clinical validation study completed.

Oesophageal adenocarcinoma is the most common form of oesophageal cancer in Australia. Proteomics International is collaborating with QIMR Berghofer Medical Research Institute (QIMRB) to develop a simple blood test for oesophageal adenocarcinoma.

In June 2022, Proteomics International secured an exclusive worldwide licence from QIMRB to commercialise its biomarkers for oesophageal adenocarcinoma. This followed the successful collaborative initial clinical validation study which identified and validated a panel of biomarkers with the potential to be used as a simple diagnostic test. The results of the study were presented at the 27th Lorne Proteomics Symposium, the annual conference of the Australasian Proteomics Society.

The data is now being further statistically analysed to optimise the combination of biomarkers to refine the test performance.

Retinopathy - ARC Centre for Personalised Therapeutics Technologies
Status update: Discovery study ongoing.

Proteomics International is collaborating with the Lions Eye Institute and The University of Western Australia as part of the Australian Research Council Centre for Personalised Therapeutics Technologies, a $3.1 million Federally funded Industrial Transformation Training Centre (ITTC). Proteomics International is working alongside leading university-based researchers to apply the Promarker™ technology, seeking a Complementary Diagnostic test to assess treatments for eye disease.

Diagnostics

Endometriosis - Intellectual Property

"Endometriosis biomarkers"
- If granted, patent projected to be valid until March 2041

Country/Region	Application/ Patent No.	Status
International	PCT/AU2021/050227	*Pending*

Airway Disease - Intellectual Property

"Airway disease biomarkers"

Country/Region	Application/ Patent No.	Status
Provisional	2022900265	*Pending*

Oxidative Stress ("Two-Tag") - Intellectual Property

Two-Tag owns two families of patents for Oxidative Stress in key markets with others pending
FAMILY ONE patents related to "Methods for determining the redox status of proteins"

- Derived from International Patent Application PCT/AU2006/001757
- All patents valid until November 2026

Country/Region	Patent No.	Status
Australia	2006317506	Granted
USA	8043824	Granted

FAMILY TWO patents related to "Methods for measuring relative oxidation levels of a protein"
If granted, all patents projected to be valid until March 2039

Country/Region	Application	Status
Australia	2019240758	*Pending*
Canada	3094249	*Pending*
China	201980022119.X	*Pending*
Europe	19776359.2	*Pending*
India	202017044154A	*Pending*
Indonesia	P00202007798	*Pending*
Japan	2020-552842	*Pending*
Singapore	11202008979Q	*Pending*
USA	17/041,551	*Pending*

Oesophageal Cancer - Intellectual Property

"Glycoprotein biomarkers for esophageal adenocarcinoma and Barett's esophagus and uses thereof"
- All patents valid until November 2035

Country/Region	Application/ Patent No.	Status
Australia[1]	2015349613	Granted
Canada[1]	2967869	*Pending*
China[1]	ZL201580072489.6	Granted
Europe[1,2]	3221701	Granted/Validated
Hong Kong[1]	HK1244877	Granted
USA (continuation)[1]	17/165803	*Pending*

[1] Licensed exclusively to Proteomics International from QIMR Berghofer Medical Research Institute
[2] Validated in France, Germany, Spain, Turkey and United Kingdom

Oesophageal Cancer

Duong M, et al. Translational Proteomics: Establishing a Mass Spectrometry Assay for Biomarkers of Oesophageal Cancer. Poster presented at the 27th Lorne Proteomics Symposium, 2022

Airway Disease

Ito J, et al. Protein Biomarkers of Obstructive Airway Disease. Poster presented at the 27th Lorne Proteomics Symposium, 2022

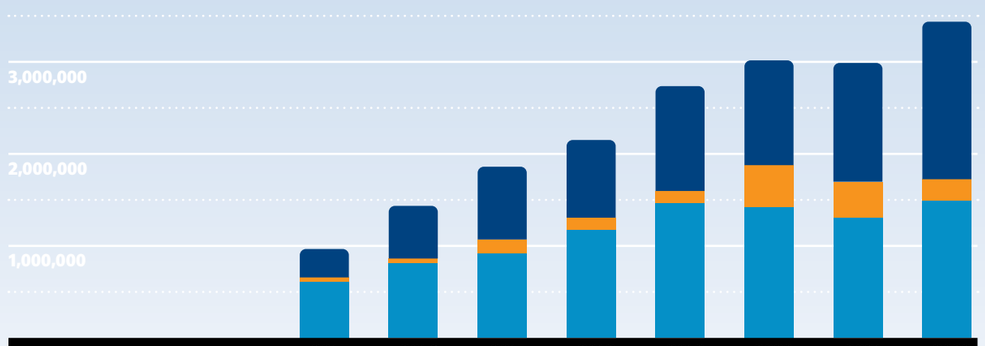
Proteomics International Laboratories Ltd

Analytical services

The Company continues to experience high demand for its analytical services.

Proteomics International secures major analytical services contract for pharmacokinetic testing
Proteomics International was awarded a major pharmacokinetic testing contract in December as part of its growing partnership with Linear Clinical Research. The circa $400,000 contract saw Proteomics International test a novel drug for degenerative and inflammatory diseases on behalf of the Australian arm of pharmaceutical company Sironax Ltd.

Proteomics International Revenue



		2015	2016	2017	2018	2019	2020	2021	2022
Analytical Services	$	608,394	816,845	925,357	1,176,457	1,468,076	1,423,070	1,310,824	1,489,323
Grants and other income	$	49,035	45,955	144,484	130,343	128,833	454,389	386,770	235,232
Research & Development Tax Incentive	$	309,010	572,269	790,751	844,123	1,139,403	1,138,815	1,290,899	1,711,903

World's most accredited protein testing laboratory

Proteomics International was the first laboratory in the world to receive ISO/IEC accreditation for proteomics services in 2009 (Accreditation number: 16838).
In 2021, Proteomics International received ISO 13485 certification for the design and development of PromarkerD (Certification number: MD734669). Proteomics International now holds multiple levels of internationally recognised accreditation:

- ISO 17025: 2015 – Chemical Testing
- ISO 17025: 2015 – R&D with Good Laboratory Practice (GLP) overlay
- ISO 13485: 2016 Medical devices – Quality management systems – Requirements for regulatory purposes

Accreditation recognises Proteomics International's ability to consistently achieve technically valid, traceable and reproducible results. In 2021, Proteomics International added ISO 13485 certification to its list of accreditations. The significance of this milestone shows the Company's strong commitment and vision to be a major player in innovative in-vitro diagnostic products with strong focus on commercialisation and quality of these products. Accreditation means that clients and regulatory authorities can have confidence in company products and helps to identify the Company as a reliable service provider.

Company operations

CORPORATE ACTIVITY
Proteomics International welcomed Dr Robyn Elliott and Neville Gardiner to its Board in November 2021 as independent, non-executive Directors.

Mr Gardiner is a seasoned finance professional with over 30 years' experience advising Boards of public and private companies, most recently as a partner of Deloitte. Dr Elliott is an Executive Director at CSL Behring, a subsidiary of CSL Limited [ASX: CSL], with a proven track record in product development, clinical trials, regulatory affairs, audits, quality management, project management and operational strategy.

Mr Gardiner assumed the role of Chair, following the retirement of Proteomics International Laboratories Ltd Chairman Terry Sweet at the 2021 AGM. Mr Sweet was instrumental in taking the Company from its initial public listing as an R&D-focused $10 million dollar enterprise to the commercially-driven $100 million (circa) business it is today.

DRUG DISCOVERY
Proteomics International has had a long-standing interest in innovative drug discovery, with the Company's first substantial external funding received to develop a novel therapeutic pipeline in 2008. This pipeline became the basis for the Promarker™ technology platform. The drug discovery program is on hold whilst the company focuses its resources on the commercialisation of PromarkerD, diagnostics, and the provision of analytical services.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS
In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year not otherwise disclosed in this report and the financial statements.

EVENTS SINCE THE END OF THE FINANCIAL YEAR
On 25 July 2022, Proteomics International announced that its European patent protection for the Company's PromarkerD predictive test had been expanded to include diagnosing all individuals who are prediabetic and asymptomatic for kidney disease.

On 1 August 2022, Proteomics International announced that an early version of the Company's potential world-first blood test for endometriosis had successfully detected up to 78 per cent of people with the painful condition.

On 2 August 2022, Proteomics International announced that a study demonstrating the clinical utility of the PromarkerD test in predicting diabetic kidney disease was published in the journal PLOS ONE (a peer-reviewed, open access journal published by the Public Library of Science), providing peer-reviewed validation of initial results that were previously presented at major industry conferences.

On 9 August 2022, Proteomics International announced that it had signed a binding and exclusive letter of intent (LOI) with Sonic Healthcare USA, Inc. (a division of Sonic Healthcare Limited; ASX: SHL) regarding entering into an exclusive licence for use of the Company's PromarkerD test for diabetic kidney disease in the United States.

On 15 August 2022, Proteomics International announced that it had received firm commitments for a share placement to raise $8 million (before costs) through the issue of 9.41 million shares in the Company ("the Placement"). The Placement was heavily oversubscribed, supported by Australian-based institutions, and sophisticated and professional investors and completed on 22 August 2022.

On 29 August 2022, Proteomics International announced the spin-off of OxiDx Pty Ltd, an independent business to commercialise technology for measuring oxidative stress developed in collaboration with The University of Western Australia.

No other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect the consolidated entity's operations, or the consolidated entity's state of affairs in future years.

LIKELY DEVELOPMENTS
Proteomics International will continue to pursue the commercialisation of its lead diagnostic test PromarkerD in global markets. Potential licence partners are global and regional diagnostic companies, diagnostic service providers, and drug developers. In jurisdictions where licences have already been granted, the focus will be on increasing the adoption of the test by engaging with Key Opinion Leaders and the broader network of clinical service providers.

As for any novel test, market penetration cannot be predicted accurately, hence for each licence it is not possible to quantify the financial impact on Proteomics International in any given timeframe. Nonetheless, PromarkerD has the potential to spare millions of people from the cost of dialysis, saving each health care system billions of dollars. Consequently, the Company believes that ultimately the financial impact of each licence will be significant.

The development pipeline for new diagnostic tests will progress using the Promarker™ technology platform, with the intention of creating new intellectual property that can be licensed in future years.

These R&D and commercialisation activities will continue to be underpinned by the analytical services operations. Fee-for-service revenue continues to grow in the Company's target areas and Proteomics International anticipates further growth.

Environmental, Social and Governance

SOCIAL

Proteomics International's mission is to improve the quality of lives by the creation and application of innovative tools that enable the improved treatment of disease. In addition to the social impact of the Company's core operations, Proteomics International strives to foster the development of scientific knowledge and invest in its people.

STRATEGIC COLLABORATIONS

Proteomics International continues to work closely with the biotechnology and life science community across Australia. Strategic collaborations promote the development of scientific knowledge and help Proteomics International realise its scientific and business objectives.

Highlights of the Company's collaborations include:

Harry Perkins Institute of Medical Research (Perkins)
The Perkins is the premier adult medical research institute in Western Australia. Proteomics International is headquartered there and has held close ties with the Perkins since 2006.

Bioplatforms Australia (BPA)
BPA is a federal body instigated as part of the National Collaborative Research Infrastructure Scheme (NCRIS) to facilitate a national capability in the 'omics sciences (genomics, proteomics, metabolomics and bioinformatics). Proteomics International manages the Western Australian node of Proteomics Australia in a Public Private Partnership with BPA and The University of Western Australia.

Australian Research Council Training Centre for Personalised Therapeutics Technologies
This national $3.1 million Industrial Transformation Training Centre (ITTC) sees Proteomics International work with university-based researchers to provide industry training through the application of the Promarker™ technology to Complementary Diagnostics. The centre is hosted by the University of Western Australia, Monash University and the University of Melbourne. A joint diagnostics project is underway (see 'Diagnostics - Retinopathy').

Accelerating Australia
This organisation has developed a cohesive and collaborative early stage biomedical translation ecosystem under the umbrella of a national consortium covering academia, industry, and health care providers, including MTP Connect (the Medtech and Pharma Growth Centre). As a commercial partner, Proteomics International enjoys early access to new ideas and innovations. Accelerating Australia is led by the Centre for Entrepreneurial Research and Innovation based in Western Australia. The Centre's activities are on-going.

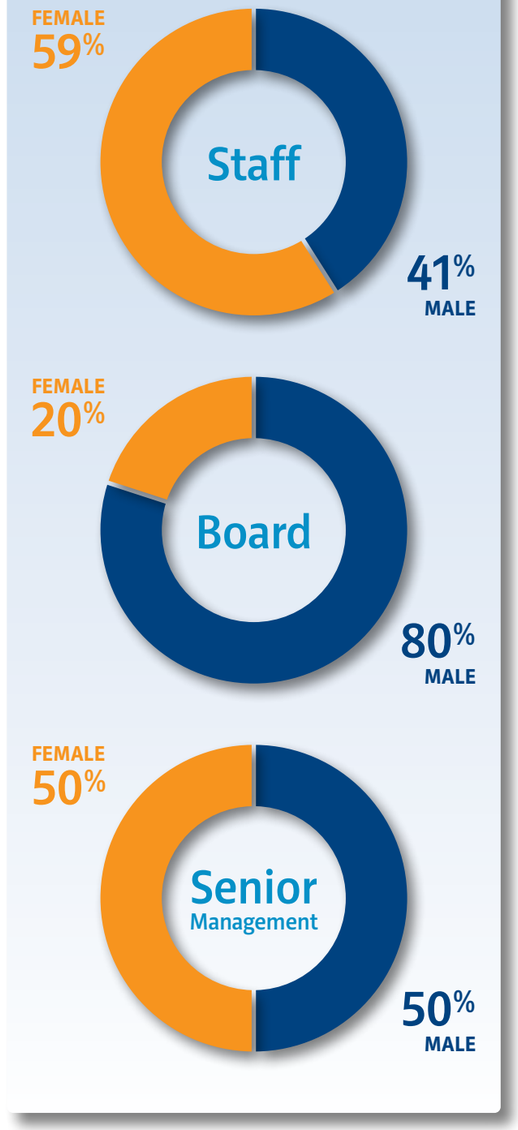
Dr Bill Parker Memorial Industrial Scholarship
In 2017, the Company launched the Dr Bill Parker Memorial Industrial Scholarship, in memory of its cofounder, to high achieving WA students who wish to take a gap year to gain experience in the Biotechnology & Life Science Industry before undertaking a science degree in the Eastern States. Proteomics International is currently training one scholar in residence. Two interns are completing university studies in Victoria and New South Wales. The program is on-going and Proteomics International looks forward to supporting the 2023 class of budding life scientists.

HUMAN CAPITAL

Proteomics International's believes that its staff are a key component of the Company's continued success.

The Company enjoys a diverse and gender balanced workforce.

Gender Diversity



ENVIRONMENTAL

ENVIRONMENTAL REGULATIONS

The Company is subject to and complies with environmental regulation and other licences in connection with its research and development activities utilising the facilities at the Harry Perkins Institute of Medical Research. The Company complies with all relevant Federal, State and Local environmental regulations. The Board is not aware of any breach of applicable environmental regulations by the Company.

GREENHOUSE GAS AND ENERGY DATA REPORTING

The Company has assessed the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007 and the Group is not currently subject to any reporting obligations.

GOVERNANCE

The Board of Directors is responsible for the operational and financial performance of the Company, including its corporate governance. The Company believes that the adoption of good corporate governance adds value to stakeholders and enhances investor confidence. Proteomics International's corporate governance statement is available on the Company's website, in a section titled 'Corporate Governance'.

Proteomics International Laboratories Ltd

Board of Directors and Operational Team

BOARD OF DIRECTORS

Neville Gardiner – Non-Executive Chairman (Independent)
Richard Lipscombe – Managing Director
Robyn Elliott - Non-Executive Director (Independent)
Paul House - Non-Executive Director (Independent)
Roger Moore - Non-Executive Director (Independent)

INFORMATION ON DIRECTORS

Director	Experience	Special Responsibilites	Particulars of Director's interest in securities of the Company	
			Shares	Options
Mr Neville Gardiner BBus (Accounting and Business Law) 	Neville was recently a Partner of Deloitte in its Mergers & Acquisitions Advisory team. He is a seasoned finance professional with over 30 years' experience advising Boards of public and private companies on mergers and acquisitions, project development, equity and debt capital markets, transaction structuring, capital allocation and complex commercial problem solving. Prior to Deloitte Neville was Co-Founder and Managing Director of Torridon Partners, an independent corporate advisory firm. Torridon Partners was acquired by Deloitte in 2016. He has held leadership positions at Macquarie Bank, Bank of America Merrill Lynch and Arthur Andersen, and has broad industry sector exposure including health-tech, fin-tech, mining and mining services, infrastructure, energy, and fabrication and construction. Neville joined the Board in November 2021.	Chairman	-	-
Dr Richard Lipscombe PhD (London), MA (Oxford) 	Richard, a co-founder of the Company, is a highly practised business manager and protein chemist expert in analysing biomolecules using proteomics techniques. He has extensive expertise in chemistry, immunology, mass spectrometry, peptide synthesis, high performance computing and robotics. Richard has international experience in both science and business gained over a 30-year period in Australia, USA and the UK, including work in hospital and academic laboratories and commercial organisations. He completed his chemistry degree (MA) at Oxford University, his PhD in immunology at London University and was a Post-Doctoral scientist (molecular immunology) in a large research institution in Australia (Telethon Kids Institute). After managing the Protein Analysis Facility at the University of Western Australia, he co-founded Proteomics International Pty Ltd in 2001. Richard is well published in peer review journals, and holder of several patents.	Managing Director	19,048,705	-
Dr Robyn Elliott BSc (Hons) Chemistry, PhD Inorganic Chemistry 	Robyn is Global Head, Strategic Portfolio Management within the Global Network Strategy team of CSL Behring, a subsidiary of CSL Limited (ASX:CSL). Her role is responsible for governance and business value delivery oversight for a multi billion dollar global capital expansion portfolio. She is also a non-executive director of PolyNovo Limited (ASX:PNV). Robyn's 9 years at CSL Behring have included Senior Director roles for Strategic Program Management, Strategic Expansion Projects and Quality, including supporting the global network strategy team determining the ten-year expansion plan for the CSL Behring global business. Prior to CSL Behring she was Managing Director at IDT Australia Ltd (ASX:IDT) and commenced her career at DBL Faulding. Robyn has a proven track record in product development, clinical trials, regulatory affairs, audits, quality management, project management and operational strategy. Robyn joined the Board in November 2021.	Nil	-	-
Mr Paul House GAICD, BCom (UWA) 	Paul has over 30 years' experience with multi-national corporations and is currently CEO of Imdex (ASX:IMD). He previously served eight years as the Managing Director of SGS India, where he was responsible for a workforce of 4,500 personnel and 38 laboratories; SGS is the world's leading Testing, Inspection and Certification (TIC) company. Mr House has previously held CFO and COO roles and has a track record for delivery of business performance targets, revenue growth, margin improvement, market share and productivity, across multiple services, markets and borders. A Fellow of the Australian Institute of Management and a Graduate Member of Australian Institute of Company Directors, Paul joined the Board in November 2017.	Nil	818,864	100,000
Mr Roger Moore R (Denmark), BPharm (U. Syd) 	Roger has 40 years' experience in the international pharmaceutical industry, including almost 30 years as President of Novo Nordisk Japan (Novo Nordisk is the world's largest manufacturer of diabetes therapeutics including Insulin and a global leader in diabetes care). Roger established Novo's organisation in Japan as the first employee in 1977, and worked for the company until his retirement as Chairman at the end of 2007. In 2000 Roger was appointed Senior Vice President, responsible for Novo Nordisk's business in Japan, Australia, New Zealand and the Pacific , and also a member of the Senior Management Board of Novo Nordisk A/S. In 2007, Roger was awarded the Knight's Cross of the Order of the Dannebrog (R) by Queen Margrethe II of Denmark. Roger joined the Board in October 2016.	Nil	817,000	100,000

CURRENT AND FORMER DIRECTORSHIPS

Directors' Name	Current Directorships	Former Directorships (last 3 years)
Mr Neville Gardiner	Galena Mining Ltd (since 20 October 2021)	Nil
Mr Terry Sweet	Nil	Nil
Dr Richard Lipscombe	Nil	Nil
Dr Robyn Elliott	PolyNovo Limited (since 28 October 2019)	Nil
Mr Paul House	Nil	Nil
Mr Ian Roger Moore	Nil	Nil

COMPANY SECRETARY

Ms Karen Logan BCom, Grad Dip AppCorpGov, FCS, FGIA, F Fin, GAICD

Karen Logan is a Chartered Secretary with over 15 years' experience in assisting small to medium capitalised ASX-listed and unlisted companies with compliance, governance, financial reporting, capital raising, merger and acquisition, and IPO matters. She is presently the principal of a consulting firm and secretary of a number of ASX-listed companies, providing corporate and accounting services to those clients.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2022 and the numbers of meetings attended by each Director were:

Directors	Full meetings of Directors	
	A	B
Mr Neville Gardiner	7	7
Mr Terry Sweet	4	4
Dr Richard Lipscombe	11	11
Mr Ian Roger Moore	11	11
Mr Paul House	11	11
Dr Robyn Elliott	7	7

A = Number of meetings attended
B = Number of meetings held during the time the Director held office

The Board meets regularly on an informal basis in addition to the above meetings.

Directors have determined that the Company is not of sufficient size to merit the establishing of separate sub-committees and all decisions are made by the full Board.

Proteomics International Laboratories Ltd

OPERATIONAL TEAM

Proteomics International has established and maintained a highly qualified, multilingual team with well-balanced commercial and scientific expertise. The senior management group comprises:

Chief Financial Officer

Ms Jacqueline Gray

Jacqueline has more than 20 years experience as a chartered accountant and executive, in both Perth & London, driving the implementation of strategy, meaningful business reporting and a sound governance framework. She has served as the Chief Financial Officer for a range of ASX-listed and privately-owned businesses, managing revenues in excess of $100 million.

Jacqueline joined Proteomics International from digital marketing and ecommerce agency RooLife Group, having previously held senior leadership positions at Velpic, City Farmers, Morrison, Sungrid and the West Australian Community Foundation. She has also worked for global companies including the Economist Group, BBC Worldwide, HealthCare of Australia and Arthur Andersen.

Chief Commercialisation Officer

Mr Vik Malik

Vik has more than 20 years' experience in the life sciences and healthcare industries as a commercialisation expert and business strategy advisor for several multinational, growth-stage and startup medical device and diagnostics companies. He has been involved in the launch of numerous disruptive medical technologies, cutting-edge biotherapies, innovative healthcare IT solutions and customised business process outsourcing services to penetrate new and emerging markets.

Most recently, Vik served as interim Chief Executive Officer and board director for surgical software startup ClaraSim Systems (via Stanford University, USA), and has previously held senior leadership positions with IQVIA (IMS Health + Quintiles), BioFuse Medical, Deloitte Consulting – Healthcare & Life Sciences, and Ascension Orthopedics, as well as sales, marketing and business development roles at TissueLink Surgical, Serono Laboratories and Wyeth Pharmaceuticals.

Head of Business Development

Mr Chuck Morrison

Chuck has over 36 years experience in life sciences, biotechnology, and diagnostic industries. Chuck has an undergraduate degree in chemistry and an MBA from Boston University. He has held several management positions while at NEN Life Sciences and DuPont before focusing his last 15 years in Business Development at PerkinElmer. Chuck has successfully executed many licensing deals and several global acquisitions while in this role. Chuck is based in Massachusetts, USA and started working with the Company in May 2014.

Head of Logistics

Dr Pearl Tan

Pearl is responsible for coordinating and ensuring the commercial delivery of PromarkerD and the Promarker™ pipeline. Pearl has extensive experience in management and research commercialisation. Her previous roles include Chief Operating Officer of Proteomics International, Business Manager (PromarkerD), and leading the commercialisation of the patented 2-tag technology (used to measure oxidative stress). Pearl has a background in research and completed her PhD in Biochemistry and Molecular Biology at The University of Western Australia. She has been with Proteomics International since 2013.

Head of Research

Dr Scott Bringans

Scott has over 20 years of experience in protein chemistry and mass spectrometry. Scott leads all research areas within Proteomics International including the company's proprietary biomarker discovery and development program (Promarker™) and PromarkerD, the company's predictive test for diabetic nephropathy. Alongside these are the development of novel methodology to add to Proteomics International's technology platform and continually expanding the fee-for-service and quality testing portfolio. Scott has been with the Company for over 16 years.

Head of Clinical Studies

Dr Kirsten Peters

Kirsten has over 15 years of experience in clinical and genetic epidemiology. Kirsten leads the clinical studies and biostatistics team at Proteomics International, responsible for the development and validation of PromarkerD and diagnostics in the Promarker™ pipeline. She has been with the company for over 7 years and has been a Consultant at the University of Western Australia for 15 years. Kirsten has extensive experience in data analysis and has co-authored over 40 peer-reviewed journal articles.

Business Manager - Analytical Services

Dr Javed Khan

Javed has international commercial experience gained over 12 years in the life sciences and diagnostic industries.

With a PhD in Chemistry and Biomolecular Sciences from Macquarie University, Javed joined Proteomics International as a computational proteomics specialist in 2013, before transitioning into Project Management/Business Development and was appointed Manager of the Company's extensive Analytical Services business and portfolio in 2020. With a sound business acumen and global knowledge, Javed has been pivotal in substantially growing the Pharmacokinetics Testing arm of the Company's business and is now also involved with commercialising PromarkerD in India and the Middle East.

Material Business Risks

The Group has identified the below specific risks that could impact upon its future prospects.

Commercialisation Risk
The Company is relying on its ability and that of its partners to develop and commercialise its products and services in order to create revenue. Any products or services developed by the Company will require extensive clinical testing, regulatory approval, manufacturing and significant marketing efforts before they can be sold and generate revenue. The Company's efforts to generate revenue may not succeed for a number of reasons including issues or delays in the development, testing, regulatory approval, manufacturing, supply chain or marketing of these products or services.

In addition, developing direct sales, distribution and marketing capabilities will require the devotion of significant resources and require the Company to ensure compliance with all legal and regulatory requirements for sales, marketing, manufacturing and distribution.

A failure to successfully develop and commercialise these products and services could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position. In addition, for those countries where the Company may commercialise its products or services through distributors or other third parties, the Company will rely heavily on the ability of its partners to effectively market and sell its products and services.

Further, even if the Company does achieve market commercialisation of any of its products and services, it may not be able to sustain it or otherwise achieve commercialisation to a degree that would support the ongoing viability of its operations.

Research and Development Risk
The research and development process typically takes from 10 to 15 years from discovery to commercial product launch. This process is conducted in various stages in order to test, along with other features, the effectiveness and safety of a product. There can be no assurance that any of these products and services will be proven safe or effective.

Accordingly, there is a risk at each stage of development that the Company will not achieve the goals of safety and/or effectiveness and that the Company will have to abandon a product.

Intellectual Property
The following are considered to be risks to the Company's intellectual property:

(i) General
The patent protection that the Company may obtain varies from product to product and country to country and may not be sufficient, including maintaining product exclusivity. Patent rights are also limited in time and do not always provide effective protection for products and services: competitors may successfully avoid patents through design innovation, the Company may not hold sufficient evidence of infringement to bring suit, or the infringement claim may not result in a decision that the rights are valid, enforceable or infringed.

Legislation or regulatory actions subsequent to the filing date of a patent application may affect what an applicant is entitled to claim in a pending application and may also affect whether a granted patent can be enforced in certain circumstances. Laws relating to biotechnology remain the subject of ongoing political controversy in some countries. The risk of changed laws affecting patent rights is generally considered greater for the biotechnology field than in other longer established fields.

(ii) Entitlement to Priority
In order for material disclosed in a patent application to be entitled to the priority date of a corresponding earlier filed application (e.g. a provisional application), there must be adequate support or disclosure of such material in the provisional application. Subject matter in a patent application that is not so disclosed in the earlier application is not entitled to the claim to priority, which may affect patentability of the subject invention, or the validity of any patent that may be granted.

(iii) Securing a Patent
The claims in a pending application cannot be considered predictive of claims in a granted patent. Examination in certain jurisdictions such as the USA and the European Patent Office are often more stringent than other countries and all pending claims may be subject to amendment during the pendency of an application. Thus, during pendency of any patent application, an applicant cannot reliably predict whether any claims will ultimately be granted or what the scope of any granted claims will be. Furthermore, whilst the scope of claims granted in one country may assist, it cannot be relied upon for predicting the scope of claims granted in another country.

All patent searches are dependent on the accuracy and scope of the databases used for the search and, in particular, the manner in which information in the databases is indexed for searching purposes.

Patent applications may have been filed by third parties based on an earlier priority date and the existence of such applications may not be known for up to about 18 months after they were filed. Such earlier-filed applications may constitute prior art that adversely affects patentability or claim scope of a patent matter listed herein. Given the timing of and the approach taken to the examination of patent applications, if any prior art in this 18-month period does exist, it is unlikely that it will be located in searches conducted by official Patent Offices.

Delays may occur during pendency, due to unpredictable events that the application cannot control. The net effect of such delays may be to decrease the time from the date of patent grant to the end of the patent term and thus adversely affect the effective lifetime of enforceability of the patent. Patents and pending applications can be subject to opposition or other revocation proceedings, that vary from country to country, and which cannot be predicted in advance.

Proteomics International Laboratories Ltd

Reliance on Key Personnel
The Company's ability to operate successfully and manage its potential future growth depends significantly upon its ability to attract, retain and motivate highly-skilled and qualified research, technical, clinical, regulatory, sales, marketing, managerial and financial personnel. The competition for qualified employees in the life science industry is intense and there are a limited number of persons with the necessary skills and experience.

The Company's performance is substantially dependent on Dr Lipscombe and the other members of its senior management and key technical staff to continue to develop and manage the Company's operations. The loss of or the inability to recruit and retain high-calibre staff could have a material adverse effect on the Company. The Company also relies on the technical and management abilities of certain key Directors and employees, consultants and scientific advisers. The loss of any of these Directors, employees, consultants or scientific advisers could have an adverse effect on the business and its prospects.

Regulatory Risk
The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions that govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial performance of the Company and its shares. In addition, there is a risk that legal action may be taken against the Company in relation to commercial matters.

Funding Risk
While the Company believes it will have sufficient funds to meet its operational requirements for the next 12 months, the Company may in the future seek to exploit opportunities of a kind that will require it to raise additional capital from equity or debt sources, joint ventures, collaborations with other life science companies, licensing arrangements, production sharing arrangements or other means.

The Company's capital requirements depend on numerous factors and, having regard to the development stage, and the nature of its products and services, the Company is currently unable to precisely predict if, and what amount of, additional funds may be required. Factors, which may influence the Company's possible need for further capital, include such matters as:

- the costs and timing of seeking and obtaining regulatory approvals;
- the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights;
- the effects of competing product, clinical, technological and market developments; and
- the terms, timing and consideration, if any, of collaborative arrangements or licensing of products and services;

There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back development and research programmes as the case may be.

Insurance Risk
The Company may not be able to maintain insurance for service liability on reasonable terms in the future and, in addition, the Company's insurance may not be sufficient to cover large claims, or the insurer could disclaim coverage on claims. If the Company fails to meet its clients' expectations, the Company's reputation could suffer and it could be liable for damages. The Company gives no assurance that all such risks will be adequately managed through its insurance policies to ensure that catastrophic loss does not have an adverse effect on its performance.

Exchange Rate Risk
The Company is exposed to movements in foreign exchange rates. The Company does not hedge against movements in the exchange rate. However, significant changes in currencies may impact on the Company's margins and earnings adversely.

Cybersecurity Risk
The Company is aware of the cybersecurity risk and data privacy risk inherent in its operations. The Company mitigates these risks using security measures and insurance as appropriate.

Resource Risk
The Company's ability to deliver service and research and development pipelines in a timely manner are dependent on its equipment and resources operating accurately and efficiently. The Company manages resource risk with regular scheduled maintenance, backup arrangements, quality processes, and regular communication.

Dependence on Key Relationships
The Company currently has strategic business relationships with other organisations that it relies upon for key parts of its business, such as obtaining the use of the mass spectrometers, chromatography systems and other equipment and services important to the Company's activities. The loss or impairment of any of these relationships could have a material adverse effect on the Company's results of operations, financial condition and prospects, at least until alternative arrangements can be implemented. In some instances, however, alternative arrangements may not be available or may be less financially advantageous than the current arrangements.

Remuneration Report

REMUNERATION REPORT (Audited)

The Remuneration Report is set out under the following main headings:

A Principles Used to Determine the Nature and Amount of Remuneration
B Remuneration Governance
C Details of Remuneration
D Directors' Agreements
E Share-Based Compensation
F Additional Information
G Additional disclosure relating to key management personnel
H Transactions with the key management personnel

The information provided in this Remuneration Report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.
The directors and other key management personnel of the Group during or since the end of the financial year were:

- Mr Neville Gardiner — Non-Executive Chairman (independent) - appointed 16 November 2021
- Mr Terry Sweet — Non-Executive Chairman (independent) - retired 25 November 2021
- Dr Richard Lipscombe — Managing Director
- Mr Ian Roger Moore — Non-Executive Director (independent)
- Mr Paul House — Non-Executive Director (independent)
- Dr Robyn Elliott — Non-Executive Director (independent) - appointed 16 November 2021
- Vikesh Malik — Chief Commercialisation Officer - appointed 1 June 2021
- Jacqueline Gray — Chief Financial Officer - appointed 12 July 2021

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

A. Principles Used to Determine the Nature and Amount of Remuneration

The objective of the Company's remuneration framework is to ensure reward for performance is competitive and appropriate for the results delivered and set to attract the most qualified and experienced candidates.

Remuneration levels are competitively set to attract the most qualified and experienced directors in the context of prevailing market conditions.

The directors recognise that in the early stages of the Company's development and in a period where the Company is making losses the objectives are to align the interests of the Board with shareholders and to attract, motivate and retain high performing individuals. The Board believes that this can be achieved through the following framework:

- The remuneration has a mix of components through the salary and share options; and
- The remuneration has been set in consultation with key management personnel (other than the relevant director whose remuneration is being discussed) taking into account the size of the Company and its current position in the market.

The Company has not obtained independent advice on the remuneration policies and practices of the key management personnel or sought the assistance of an external consultant on the current market for similar roles, level of responsibility and performance of the Board. The Board may consider this in the future should the need arise.

Non-Executive Directors Remuneration

Fees and payments to the Non-Executive Directors reflect the demands which are made on and the responsibilities of the Directors. The Non-Executive Directors' fees and payments are expected to be reviewed annually by the Board. The Non-Executive Chairman's fees are determined based on competitive roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

The Non-Executive Directors' fees and payments have been set based on the experience of the director in the Company's field of operations, and level of activity required to be undertaken by the director in the management of the Company. The Chairman received a fixed fee for his services as a Director.

The Company's Non-Executive Directors' remuneration package contains the following key elements:

- primary benefits - monthly director's fees; and
- options - issued following shareholder approval at the 2018 Annual General Meeting.

The Non-Executive Directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $500,000 per annum and was approved by shareholders prior to listing on the ASX.

No retirement benefits are provided other than compulsory superannuation.

Non-Executive Remuneration Mix

The following table sets out the non-executives' remuneration mix for the year ended 30 June 2022:

Fixed	"At Risk"	Total
$	$	$
387,548	-	387,548

REMUNERATION REPORT (continued)

Executive Remuneration

The Executive Director and Other Key Management Personnel are included in the Executive Remuneration. Executive Remuneration has been set based on the experience of each person in the Company's field of operations, and level of activity required to be undertaken by each person in the management of the Company.

The Company's Executive Remuneration package contains the following key elements:

- primary benefits - salary via an agreement; and
- options - issued via an agreement.
- performance rights - issued via an agreement.

Executive Remuneration Mix

The following table sets out the Key Management Personnels' remuneration mix for the year ended 30 June 2022:

Fixed	"At Risk"	Total
$	$	$
928,091	83,177	1,011,268

The shareholders approved the Director Fee Plan at the 2019 Annual General Meeting, where (subject to shareholder approval) director fees can be settled by the issue of shares.

CONSOLIDATED ENTITY PERFORMANCE AND LINK TO REMUNERATION

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ("the Board") ensures that executive reward satisfies the following key criteria for good reward governance practices:

•Competitiveness and reasonableness
•Acceptability to shareholders
•Performance linkage / alignment of executive compensation
•Transparency

	2018	2019	2020	2021	2022
	$	$	$	$	$
Share price at listing date ($A)	0.20	0.20	0.20	0.20	0.20
Share price at financial year end ($A)	0.20	0.35	0.42	0.93	0.93
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.02)	(0.03)	(0.02)	(0.03)	(0.05)

USE OF REMUNERATION CONSULTANTS

The Company has not engaged a remuneration consultant during the year.

VOTING AND COMMENTS MADE AT THE COMPANY'S ANNUAL GENERAL MEETING

At the 2021 Annual General Meeting, more than 75% of votes cast were in favour of adoption of the Company's remuneration report for the 2021 financial year. The Company did not receive any comments at the Annual General Meeting on its remuneration report.

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

B. Remuneration Governance

The Board is primarily responsible for making decisions and recommendations on:

- the over-arching executive remuneration framework;
- the operation of the incentive plans which apply to the executive director and non-executives including the performance hurdles;
- the remuneration levels of executives; and
- Non-Executive Director fees.

C. Details of Remuneration

Details of the remuneration of the Directors and Other Key Management Personnel of the Company is set out below:

	Cash Salary and Fees		Post-Employment Benefits	Other Leave Benefits	Share Based Benefits	Share Based Benefits		Performance Related
2022	Directors Fees $	Salary $	Superannuation $	Leave Benefits $	Equity-settled options $	Equity-settled rights $	Total $	%
Non-Executive Directors								
Terry Sweet (i)	24,167	-	2,417	-	-	-	26,584	0%
Ian Roger Moore	43,750	-	-	-	-	-	43,750	0%
Paul House	43,750	-	4,375	-	-	-	48,125	0%
Neville Gardiner (ii)	46,875	-	4,687	-	124,392	-	175,954	0%
Robyn Elliott (ii)	28,125	-	2,813	-	62,197	-	93,135	0%
Executive Director								
Richard Lipscombe	-	265,383	30,000	34,617	-	-	330,000	0%
Other Key Management Personnel								
Vikesh Malik (iii)	-	207,692	15,000	17,308	68,228	84,851	393,079	17%
Jacqueline Gray (iv)	-	180,630	19,559	14,956	39,540	33,504	288,189	6%
TOTAL	186,667	653,705	78,851	66,881	294,357	118,355	1,398,816	6%

2021	$	$	$	$	$	$	$	%
Non-Executive Directors								
Terry Sweet	60,000	-	5,700	-	-	-	65,700	0%
Ian Roger Moore	40,000	-	1,425	-	-	-	41,425	0%
Paul House	40,000	-	3,800	-	-	-	43,800	0%
Executive Director								
Richard Lipscombe	-	250,000	23,750	24,226	-	-	297,976	0%
TOTAL	140,000	250,000	34,675	24,226	-	-	448,901	0%

(i) Terry Sweet retired as a Director on 25 November 2021
(ii) Appointed as Directors on 16 November 2021
(iii) Appointed on 1 June 2021
(iv) Appointed on 12 July 2021

REMUNERATION REPORT (continued)

D. Directors' and Other Key Management Personnel Agreements

On appointment, the Non-Executive Directors' sign a letter of appointment with the Company which outlines the Board's policies and terms regarding their appointment including the remuneration relevant to the office of director. The major provisions relating to remuneration are set out below.

Mr Neville Gardiner *(Chairman)*

Particulars	Terms
Term of the agreement	No fixed term - subject to periodic re-election at the AGM
Base remuneration	$75,000
Superannuation	Statutory rate
Bonus payable	N/A
Termination of agreement	None specified

Mr Ian Roger Moore *(Non-Executive Director)*

Particulars	Terms
Term of the agreement	No fixed term - subject to periodic re-election at the AGM
Base remuneration	$45,000
Superannuation	Statutory rate
Bonus payable	N/A
Termination of agreement	None specified

Mr Paul House *(Non-Executive Director)*

Particulars	Terms
Term of the agreement	No fixed term - subject to periodic re-election at the AGM
Base remuneration	$45,000
Superannuation	Statutory rate
Bonus payable	N/A
Termination of agreement	None specified

Dr Robyn Elliott *(Non-Executive Director)*

Particulars	Terms
Term of the agreement	No fixed term - subject to periodic re-election at the AGM
Base remuneration	$45,000
Superannuation	Statutory rate
Bonus payable	N/A
Termination of agreement	None specified

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

D. Directors' and Other Key Management Personnel Agreements (continued)

On appointment, the Executive Director and Key Management Personnel sign a letter of appointment with the Company which outlines the Board's policies and terms regarding their appointment including the remuneration relevant to the office of director. Remuneration and other terms of employment for the Executive Director and Other Key Management Personnel are formalised in services agreements. The major provisions relating to remuneration are set out below.

Dr Richard Lipscombe *(Managing Director)*

Particulars	Terms
Term of the agreement	No fixed term
Base remuneration	$300,000
Superannuation	Statutory rate
Bonus payable	At the absolute discretion of the Board
Leave entitlements	30 days annual leave and no long-service leave
Termination of agreement	1 month (incapacitated / ill / unsound mind), 1 month (serious or persistent breaches), immediate (conviction / major criminal offence)

Vikesh Malik *(Chief Commercialisation Officer)*

Particulars	Terms
Term of the agreement	No fixed term
Base remuneration	$225,000
Superannuation	Statutory rate
Bonus payable	At the absolute discretion of the Board
Leave entitlements	20 days annual leave
Termination of agreement	3 months notice

Jacqueline Gray *(Chief Financial Officer)*

Particulars	Terms
Term of the agreement	No fixed term
Base remuneration	$200,913
Superannuation	Statutory rate
Bonus payable	At the absolute discretion of the Board
Leave entitlements	20 days annual leave
Termination of agreement	3 months notice

REMUNERATION REPORT (continued)

E. Share-based Compensation

The following options were exercised during the year:

Director	Number of Options	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date (i)
				$	$
Terry Sweet (i) (ii)	200,000	22-Nov-18	22-Nov-21	0.50	44,206
Ian Roger Moore (i)	100,000	22-Nov-18	22-Nov-21	0.50	22,103
Paul House (i)	100,000	22-Nov-18	22-Nov-21	0.50	22,103
Total	400,000				88,412

(i) The options were issued as a reward and incentive and vested immediately. The value at the exercise date of options that were granted as part of remuneration and were exercised during the year has been determined as the intrinsic value of the options at

(ii) Terry Sweet exercised 200,000 options on 4 November 2021, Ian Roger Moore exercised 100,000 options on 4 November 2021 and Paul House exercised 100,000 options on 4 November 2021. The amounts paid per ordinary share on the exercise of options at the date of of exercise were $0.50 per share. No amounts are unpaid on any shares issued on the exercise of options.

The following unissued options are subject to approval at the next AGM, expected 24 November 2022.

Director	Number of Options	Service Commencement Date	Expiry Date	Exercise Price	Fair Value at Grant Date (i)
				$	$
Neville Gardiner	250,000	15-Nov-21	31-Dec-24	1.72	101,384
	250,000	15-Nov-21	31-Dec-25	2.29	103,563
Total	500,000				204,947
Robyn Elliott	125,000	15-Nov-21	31-Dec-24	1.72	50,692
	125,000	15-Nov-21	31-Dec-25	2.29	51,781
Total	250,000				102,473

(i) The fair value of these options is provisional and will be finalised on grant date being the date shareholder approval is obtained.

	2022 Options	2021 Options
Director C Options exerciseable at $1.72 each (i)	375,000	-
Director D Options exerciseable at $2.29 each (Ii)	375,000	-
Total Unissued options	750,000	-

Unissued options outstanding as at 30 June 2022 have the following expiry date and exercise price.

	Valuation Date	Expiry Date	Exercise Price	No. Options
(i)	30/06/2022	31/12/2024	$1.72	375,000
(ii)	30/06/2022	31/12/2025	$2.29	375,000

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

Fair Value of Director C and Director D Options.

These unissued options were granted 15 November 2021 to newly appointed non-executive directors Dr Elliott and Mr Gardiner as an effective and efficient method of supplementing non-executive director's fees.

Although these unissued options is subject to shareholder approval at the next AGM date, expected to be on 24 November 2022, they have been provisionally valued at the grant/valuation date, as follows:

Particulars	Director C	Director D
Number of options	375,000	375,000
Valuation date	30 June 2022	30 June 2022
Expiry date	31 December 2024	31 December 2025
Underlying share price used	$0.930	$0.930
Exercise price	$1.237	$1.65
Risk-free rate	3.29%	3.29%
Volatility	75%	75%
Dividend yield	nil	nil
Valuation per Option	$0.4055	$0.4143

The value placed on these unissued Director C options is $180,668 and the amount allocated to the share based payments expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $92,303.

The value placed on these unissued Director D options is $183,584 and the amount allocated to the share based payments expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $94,286.

The Company has used the Simple European Call Option Model to value the Director C and Director D options.

Fair Value of Employee Incentive Options - Chief Commercialisation Officer (CCO)

These options were issued on 20 July 2021 pursuant to the terms of an Employee Incentive Options Plan and are issued in tranches of 100,000 options with differing vesting dates.

The assessed fair value at grant date was determined using a Black-Scholes Model with the following key inputs:

Particulars	Tranche 1	Tranche 2	Tranche 3
Number of CCO options	100,000	100,000	100,000
Valuation date	20 July 2021	20 July 2021	20 July 2021
Expiry date	1 June 2024	1 June 2024	1 June 2024
Vesting date	1 June 2022	1 June 2023	1 June 2024
Underlying share price used	$1.015	$1.015	$1.015
Exercise price	$1.44	$1.44	$1.44
Risk-free rate	0.13%	0.13%	0.13%
Volatility	75%	75%	75%
Dividend yield	nil	nil	nil
Valuation per Option	$0.3905	$0.3905	$0.3905

These CCO options will expire on 1 June 2024 (the expiry date) and, once vested, may be exercised at any time prior to the expiry date. Options not so exercised shall lapse on the expiry date. Options not so exercised shall lapse on the expiry date. Options will immediately lapse if employment ceases prior to the vesting date.

The total determined value for these CCO options is $117,142 and the amount allocated to the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $68,228.

REMUNERATION REPORT (continued)

Fair Value of Employee Incentive Options - Chief Financial Officer (CFO)

These options were issued on 20 July 2021 pursuant to the terms of an Employee Incentive Options Plan and are issued in tranches of 50,000 options with differing vesting dates.

The assessed fair value at grant date was determined using a Black-Scholes Model with the following key inputs:

Particulars	Tranche 1	Tranche 2	Tranche 3
Number of CFO options	50,000	50,000	50,000
Valuation date	20 July 2021	20 July 2021	20 July 2021
Expiry date	12 July 2024	12 July 2024	12 July 2024
Vesting date	12 July 2022	12 July 2023	12 July 2024
Underlying share price used	$1.015	$1.015	$1.015
Exercise price	$1.16	$1.16	$1.16
Risk-free rate	0.13%	0.13%	0.13%
Volatility	75%	75%	75%
Dividend yield	nil	nil	nil
Valuation per Option	$0.4558	$0.4558	$0.4558

These CFO options will expire on 12 July 2024 (the expiry date) and, once vested, may be exercised at any time prior to the expiry date. Options not so exercised shall lapse on the expiry date. Options not so exercised shall lapse on the expiry date. Options will immediately lapse if employment ceases prior to the vesting date.

The total determined value for these CFO options is $68,372 and the amount allocated to the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $39,540.

F. Additional Information

While earning and share price movements are not linked to remuneration, the performance of the Company over the year ended 30 June 2022 is summarised below (note that EBITDA and non-cash calculations are not in strict compliance with AIFRS as the loss for the period is adjusted for tax, interest, depreciation, and the non-cash items fair value movement in derivatives and share based payments

	2022
	$
Total income	3,436,458
EBITDA and non-cash	(4,041,713)
EBIT	(4,970,267)
(Loss) after tax	(4,972,960)

G. Additional disclosure relating to key management personnel

Shareholding

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

Directors and Key Management Personnel	Balance at the start of the year	Received as part of remuneration	Shares Received on exercise of options	Other changes during the year (i)	Balance at the end of the year
2022					
Terry Sweet	2,348,000	-	200,000	-	2,548,000
Richard Lipscombe	19,048,704	-	-	-	19,048,704
Ian Roger Moore	717,000	-	100,000	-	817,000
Paul House	718,864	-	100,000	-	818,864
Vikesh Malik (i)	-	-	-	15,270	15,270

(i) Vikesh Malik purchased shares on market during the year

Proteomics International Laboratories Ltd

REMUNERATION REPORT (continued)

Option holding

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

Directors and Key Management Personnel	Balance at the start of the year	Received as part of remuneration	Shares Received on exercise of options	Balance at the end Vested	Balance at the end Unvested
2022					
Terry Sweet	400,000	-	(200,000)	-	200,000
Richard Lipscombe	-	-	-	-	-
Ian Roger Moore	200,000	-	(100,000)	-	100,000
Paul House	200,000	-	(100,000)	-	100,000
Neville Gardiner (i)	-	500,000	-	-	500,000
Robyn Elliott (i)	-	250,000	-	-	250,000
Vikesh Malik	-	100,000	-	-	100,000
Jacqueline Gray	-	50,000	-	-	50,000

(i) These unissued options were offered on 15 November 2021 to newly appointed non-executive directors Dr Elliott and Mr Gardiner as an effective and efficient method of supplementing non-executive director's fees. These unissued options are subject to shareholder approval at the next AGM date, expected to be on 24 November 2022.

Rights holding

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

Directors and Key Management Personnel	Balance at the start of the year	Received as part of remuneration	Shares Received on exercise of options	Balance at the end Vested	Balance at the end Unvested
2022					
Vikesh Malik	-	223,548	-	-	223,548
Jacqueline Gray	-	73,095	-	-	73,095

	2022 Rights	2021 Rights	2022 $	2021 $
Chief Commercialisation Officer (CCO)	223,548	-	84,851	-
Chief Financial Officer (CFO)	73,095	-	33,504	-
	296,643	-	118,355	-

REMUNERATION REPORT (continued)

Class of performance rights	Number issued to Chief Commercialisation Officer (CCO)	Number issued to Chief Financial Officer (CFO)
Tranche 1 performance rights	11,774	11,521
Tranche 2 performance rights	11,774	11,574
Milestone A performance rights	50,000	-
Milestone B performance rights	50,000	-
Milestone C performance rights	100,000	50,000
	223,548	73,095

Tranche 1 performance rights are subject to continuous service under the Employment Contract, and were issued on 20 July 2021 and vested on 1 July 2022.

Tranche 2 performance rights are subject to continuous service under the Employment Contract, and were issued on 20 July 2021 and will vest on 1 July 2023.

Milestone A performance rights are subject to the receipt by the Company of payment for a specified number of PromarkerD patient tests billed in the USA, and were issued on 20 July 2021 and will lapse within 3 years of the commencement of the Employment Contract.

Milestone B performance rights are subject to the receipt by the Company of payment for a specified number of PromarkerD patient tests billed for any country (excluding the USA), and were issued on 20 July 2021 and will lapse within 3 years of the commencement of the Employment Contract.

Milestone C performance rights are subject to the Company achieving an annual net profit target set by the Board and independently verified by the Company's auditors, and were issued on 20 July 2021 and will lapse after 3 full financial years of the commencement of the Employment Contract.

Each performance right automatically converts into one ordinary share on vesting at an exercise price of nil. The CCO and the CFO (referred to as the executives) do not receive any dividends and are not entitled to vote in relation to the performance rights during the vesting period.

If an executive ceases to be employed by the Company within this period, the performance rights issued to that executive will be forfeited.

The fair value of these performance rights at grant date was estimated by taking the market price of the Company's shares on that date less the present value of expected dividends that will not be received by the executives on their rights during the vesting period. The fair value is estimated at $301,092 and the amount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $118,355.

H. Transactions with key management personnel

The Company entered into the following transactions with key management personnel during the year:

(i) Loans from directors

There were no loans entered into with key management personnel during the year.

(ii) Consultancy services

There were no consultancy services provided by key management personnel during the year ended 30 June 2022.

THIS IS THE END OF THE AUDITED REMUNERATION REPORT

Proteomics International Laboratories Ltd

SHARES UNDER OPTION

Unissued ordinary shares of the Company under option as at 30 June 2022 are as follows:

Date options granted	Expiry date	Exercise price	Number under option
21/11/2018	22/11/2022	$0.67	400,000
27/03/2020	27/03/2023	$0.50	2,790,279
11/05/2020	1/05/2023	$0.50	400,000
18/08/2020	18/08/2023	$0.50	1,250,000
28/01/2021	28/01/2023	$0.75	1,100,000
28/01/2021	28/01/2023	$0.75	1,100,000
30/04/2021	30/04/2023	$1.75	500,000
20/07/2021	1/06/2024	$1.44	300,000
20/07/2021	12/07/2024	$1.16	150,000
			7,990,279

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

The options are exercisable at any time before the expiry date.

Options that were converted into shares during the year ended 30 June 2022 was 500,000 (year ended 30 June 2021 options converted into shares was 300,000).

INSURANCE OF OFFICERS

During the year ended 30 June 2022, the Company paid a premium in respect of a contract insuring the Directors and Officers of the Company and any subsidiary against a liability incurred as a Director or Officer to the extent permitted by the Corporations Act 2001. Due to a confidentiality clause in the policy, the amount of the premium has not been disclosed.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001* .

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties, where the auditors' expertise and experience with the Company are important.

Non-audit services provided by BDO Corporate Tax (WA) Pty Ltd during the year ended 30 June 2022 were in respect to consulting and amounted to $16,310 (year ended 30 June 2021 the amount was $3,100).

AUDITOR

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the*Corporations Act 2001* .

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the*Corporations Act 2001* is attached.

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

Neville Gardiner
Chairman
Perth, Western Australia
Dated 30th August 2022

Auditor's Independence Declaration

BDO

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DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF PROTEOMICS INTERNATIONAL LABORATORIES LIMITED

As lead auditor of Proteomics International Laboratories Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Proteomics International Laboratories Limited and the entities it controlled during the period.

Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth

30 August 2022

Proteomics International Laboratories Ltd

Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Revenue from continuing operations:			
- Services	5	1,489,323	1,310,824
- Research grants and other income		229,794	140,216
Other income			
- Interest income		5,438	14,386
- Research and development tax incentive	2(a)	1,711,903	1,290,899
- Export market development grant		-	-
- COVID-19 grants and subsidies		-	232,168
Total revenue from continuing operations		3,436,458	2,988,493
Employment and labour expenses	2(c)	3,847,285	2,726,728
Share based payments expense	1(g), 14	511,693	147,500
Depreciation expense		416,861	372,518
Intellectual property maintenance expenses		151,809	112,476
Interest expense		446	102
Interest expense - lease liabilities		2,247	6,235
Laboratory supplies		1,806,924	601,433
Professional fees		945,477	991,051
Travel and marketing expenses		120,149	57,021
Laboratory access fees		99,209	99,832
Realised loss (gain) in foreign currency translation	2(b)	(760)	23,402
Other expenses		508,078	709,858
Total Expenditure		8,409,418	5,848,156
(Loss) before income tax		(4,972,960)	(2,859,663)
Income tax (expense) / benefit	3(a)	-	-
(Loss) after income tax from continuing operations		(4,972,960)	(2,859,663)
Total comprehensive (loss) for the year attributable to equity holders of Proteomics International Laboratories Ltd		(4,972,960)	(2,859,663)
Basic (loss) per share for the year attributable to the members of Proteomics International Laboratories Ltd	25	(0.05)	(0.03)
Diluted (loss) per share		N/A	N/A

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Proteomics International Laboratories Ltd

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Notes	Consolidated Entity 2022 $	Consolidated Entity 2021 $
CURRENT ASSETS			
Cash and cash equivalents	4	2,111,514	5,604,834
Trade and other receivables	6	440,125	301,048
Other assets	7	1,810,513	1,431,928
TOTAL CURRENT ASSETS		4,362,152	7,337,810
NON-CURRENT ASSETS			
Property, plant and equipment	9	973,391	1,196,876
Other assets		59,563	-
Right-of-use assets	8	-	63,913
Intangible assets		1,012	1,012
TOTAL NON-CURRENT ASSETS		1,033,966	1,261,801
TOTAL ASSETS		5,396,118	8,599,611
CURRENT LIABILITIES			
Trade and other payables	10	1,148,677	263,687
Deferred income	5	355,977	270,552
Lease liabilities	12	-	69,046
Provisions	11	197,031	175,752
TOTAL CURRENT LIABILITIES		1,701,685	779,037
NON-CURRENT LIABILITIES			
Deferred income	5	133,920	99,403
Provisions	11	166,671	111,749
TOTAL NON-CURRENT LIABILITIES		300,591	211,152
TOTAL LIABILITIES		2,002,276	990,189
NET ASSETS		3,393,842	7,609,422
EQUITY			
Issued capital	13	19,340,914	19,095,227
Reserves	15	1,682,998	1,171,305
Accumulated (losses)	16	(17,630,070)	(12,657,110)
TOTAL EQUITY		3,393,842	7,609,422

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

CONSOLIDATED ENTITY 30 JUNE 2022

	Notes	Issued Capital Ordinary $	Reserves $	(Accumulated Losses) $	Total Equity $
Balance at 1 July 2021		19,095,227	1,171,305	(12,657,110)	7,609,422
(Loss) for the year		-	-	(4,972,960)	(4,972,960)
Other comprehensive income for the year		-	-	-	-
Total comprehensive (loss) for the year		-	-	(4,972,960)	(4,972,960)
Transactions with Equity Holders in their capacity as Equity Holders					
Equity issued net of share issue costs	13	245,687	-	-	245,687
Share based payments expense	1(g), 14	-	511,693	-	511,693
		245,687	511,693	-	757,380
Balance as at 30 June 2022		19,340,914	1,682,998	(17,630,070)	3,393,842

CONSOLIDATED ENTITY 30 JUNE 2021

	Notes	Issued Capital Ordinary $	Reserves $	(Accumulated Losses) $	Total Equity $
Balance at 1 July 2020		13,391,543	1,054,100	(10,007,742)	4,437,901
(Loss) for the year		-	-	(2,859,663)	(2,859,663)
Other comprehensive income for the year		-	-	-	-
Total comprehensive (loss) for the year		-	-	(2,859,663)	(2,859,663)
Transactions with Equity Holders in their capacity as Equity Holders					
Equity issues net of share issue costs	13	5,703,684	-	-	5,703,684
Reclassification of option reserve	15(b)	-	(210,295)	210,295	-
Option entitlement issue	14	-	180,000	-	180,000
Share based payments expense	1(h), 14	-	147,500	-	147,500
		5,703,684	117,205	210,295	6,031,184
Balance as at 30 June 2021		19,095,227	1,171,305	(12,657,110)	7,609,422

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Proteomics International Laboratories Ltd

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Cash flows from operating activities			
Receipts from customers, grants and other income		1,691,901	1,142,197
COVID-19 grants and subsidy receipts		-	232,168
Payments to suppliers and employees		(6,474,765)	(4,730,301)
Interest paid		(2,693)	(6,337)
Interest received		5,438	14,385
Research and development tax incentive		1,240,156	1,138,815
Net cash (outflow) from operating activities	4	(3,539,963)	(2,209,073)
Cash flows from investing activities			
Proceeds from sale of plant and equipment		-	14,165
Payment for property, plant and equipment		(129,458)	(205,166)
Net cash (outflow) from investing activities		(129,458)	(191,001)
Cash flows from financing activities			
Proceeds from the issue of shares (net of costs)		-	5,553,684
Proceeds from the conversion of options		245,147	150,000
Repayment of lease liabilities	12	(69,046)	(63,798)
Net cash inflow from financing activities		176,101	5,639,886
Cash and cash equivalents at 1 July		5,604,834	2,365,022
Net increase in cash and cash equivalents		(3,493,320)	3,239,812
Cash and cash equivalents at 30 June	4	2,111,514	5,604,834

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report Proteomics International Laboratories Ltd and its subsidiaries (the Company) for the financial year ended 30 June 2022 was authorised for issue in accordance with a resolution of the Directors on the 30th day of August 2022.

The Company is a public company limited by shares, incorporated and domiciled in Australia, and whose shares are traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Company are described in the Director's report above.

(a) Basis of preparation

The principle accounting policies adopted for the preparation of financial statements are set out below. These accounting policies have been applied consistently to all periods presented unless otherwise stated.

(i) *Statement of compliance*

These general purpose financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*.

The Company is a for profit entity for the purpose of preparing the financial statements.

The financial statements of the Company also comply with the International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

(ii) *Basis of measurement*

The financial statements have been prepared on an accruals basis and are based on historical cost other than investments which are recorded at fair value. The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(iii) *Going Concern*

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

(b) Segment Information

AASB 8 - Operating Segments, requires a management approach under which segment information is presented on the same basis as that used for internal reporting purposes. This is consistent to the approach used for the comparative period.

Operating segments are reported in a uniform manner which is internally provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors (the Board).

An operating segment is a component of the organisation that engages in business activity from which it may earn revenues or incur expenditure, including those that relate to transactions with other organisation components. Each operating segment's results are reviewed regularly by the Board when making decisions about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

The Board monitors the operations of the Company as one single segment. The actual to budget items and a detailed profit or loss are reported to the Board to assess the Company's performance.

The Board has determined that strategic decision making is facilitated by evaluation of the operations of the legal parent and subsidiaries, which represent the operational performance of the Company's revenues and the research and development activities as well as the finance, treasury, compliance and funding elements.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

(c) Estimates and judgements

The preparation of the financial statements requires the use of accounting estimates and judgements which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a degree of judgement or complexity in preparing the financial information. Facts and circumstances may come to light after the event which may have significantly varied the assessment used, and which may result in a materially different value being recorded at the time of preparing these financial statements.

(i) Deferred taxes

Deferred tax assets have not been brought to account as it is not considered probable that the Company will make taxable profits over the next 12 months. The Company will make a further assessment at the next reporting period.

(ii) Impairment of assets

The Company assesses the impairment of assets at each reporting date by evaluating conditions specific to the asset that may lead to impairment. The assessment of impairment is based on the best estimate of future cash flows available at the time of preparing the report. However, facts and circumstances may come to light in later periods which may change this assessment if these facts had been known at the time.

(iII) Recoverability of Research & Development tax incentive

The Company has registered its research and development activities with the Department of Industry, Innovation and Science. Therefore, the Company is entitled to claim a tax incentive each year based on eligible research and development costs it incurs and, based on successful claims in previous years, the Company expects that it will receive the amount calculated.

(iv) Lease extensions

The Company entered into a facility licence agreement with the Harry Perkins Institute on 1 July 2019 for a period of 3 years. This facility licence agreement ended on 1 July 2022. At the date of this report, a renewal of the facility licence agreement has been agreed, with the terms and fees to be determined.

(v) Share Based Payments

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market based vesting conditions. Details regarding the determination of the fair value of equity settled share based transactions are set out in the Share Based Payments note.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions.

(d) Principles of consolidation

Subsidiaries:

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

Intercompany Transactions:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

(e) Revenue recognition and other income

Revenue is recognised when or as the Company transfers control of goods or services to a customer, at the amount to which the Company expects to be entitled.

The following is a description of the principal activities from which the Company generates its revenue and other income:

(i) Research grant and equivalent/other income including the Research & Development Tax Incentive

Grants and other income are recognised at their fair value where it is probable that the grant and other income will be received.

The Company is eligible to claim, and receive, a tax credit for its qualifying research and development activities (Research & Development tax incentive). The Research & Development tax credit received by the Company in the year ended 30 June 2022 amounted to $1,240,156.

(ii) Revenue from contracts with customers - Commercialisaton of PromarkerD

Revenue from commercialisation of PromarkerD is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a product or service to a customer.

(iii) Revenue from contracts with customers - Sales of Analytical and Other Services

Revenue from the provisions of analytical and other services is recognised in the accounting period in which the services are rendered.

If services rendered by the Company exceed the payment received, a contract asset is recognised. If the payment received exceeds the services rendered, a contract liability is recognised.

In some circumstances, analytical and other services are bundled together with provision of sales of services and products. The sale of products is a separate performance obligation and transaction price is allocated to the products and services on a relative stand-alone selling price basis.

(iv) Federal and State COVID-19 grants and subsidies

COVID-19 grants and subsidy receipts are recognised as other income rather than offsetting expenses to which they relate.

(f) Employee Benefits

Liabilities for wages and salaries (including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period, and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current liabilities in the statement of financial position, described as other payables, and comprise provision for annual leave and provision for long service leave.

The liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss and other comprehensive income

Contributions to superannuation funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(g) Share based payments

Share-based payments compensation benefits are provided to employees, Directors and consultants via the issues of shares, performance rights and/or options.

The fair value of the shares, performance rights and options granted as compensation benefits are recognised as a share based payments expense in the statement of profit or loss and other comprehensive income with a corresponding increase in equity in the statement of financial position.

Share-based payments compensation benefits are provided to consultants for capital raising via the issues of shares and/or options.

The fair value of the shares and options granted in relation to capital raisings are recognised as a transaction cost and offset against equity in the statement of financial position.

(h) Foreign currency translation and transactions

Both the functional and presentation currency of the Company is in Australian dollars.

Transactions in foreigh surrencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

(i) Income tax

The income tax expense or benefit for the year is the tax payable on that year's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

(i) When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

(ii) When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities, and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

(j) Joint Arrangements

The Company entered into a collaborative joint arrangement with the University of Western Australia during the year ended 30 June 2020 for the expansion and operation of the Western Australian Proteomics Facility.

The collaboration arrangement is not structured through a separate entity. Both parties to the arrangement will operate independently with each party maintaining independent rights to the assets of the collaboration, and liabilities resulting from activities under the arrangement will be several, and not joint or joint and several. The arrangement has therefore been classified as a joint operation and the Company recognises its direct right to the jointly held assets, liabilities, revenues and expenses in accordance with AASB 11 - Joint Arrangements.

(k) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is current when:

(i) it is expected to be realised or intended to be sold or consumed in normal operating cycle
(ii) it is held primarily for the purpose of trading;
(iii) it is expected to be realised within twelve months after the reporting period; o
(iv) the asset is 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:

(i) it is expected to be settled in normal operating cycle
(ii) it is held primarily for the purpose of trading;
(iii) it is due to be settled within twelve months after the reporting period; o
(iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

(l) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities 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 statement of cashflows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(m) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are usually due for settlement within 60 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are then recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method.

The Company applies the AASB 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

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(n) Property, plant and equipment

The Company's accounting policy for plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges on foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of an asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

Depreciation is calculated on a diminishing value basis or on a straight line basis, as appropriate, to write off the net cost of each item of plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under finance lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

(o) Leases

AASB 16 Leases
AASB 16 has been adopted from 1 July 2019. The standard replaces AASB 117 "Leases" and for leases eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position.

Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in depreciation expense) and an interest expense on the recognised lease liabilities (included in interest expense).

For classification within the statement of cash flows, the interest portion is included in interest paid and the principal portion of the lease payments are separately disclosed as repayment of lease liabilities.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of-use assets are adjusted for any remeasurement of lease liabilities.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the net present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the lease term or future lease payments arising from a change in an index or rate used. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset.

Details of right-of-use assets are provided in note 8 and a maturity analysis of lease liabilities is provided in note 12.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 60 days of recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

(q) Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(r) Fair value measurement

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

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

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

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

(s) Issued capital

Ordinary shares are classified as equity.

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

(t) Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

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

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in either other receivables or in other payables in the statement of financial position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(v) New Accounting Standards not yet Mandatory

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards is that they are not expected to have a material impact on the Group in the current or future reporting periods

Revised Conceptual Framework for Financial Reporting.

In May 2019, the AASB issued a revised *Conceptual Framework for Financial Reporting,* to apply to periods beginning on or after 1 January 2020.

Whilst not an accounting standard, the new conceptual framework seeks to provide guidance and assistance in relation to:

- Concepts on presentation and disclosure, including classifying items as income vs other comprehensive income
- Concepts on measurement, including factors to consider when selecting a measurement basis (eg cost vs fair value)
- Guidance on derecognition of assets and liabilities;
- Definitions of an asset and a liability; and
- Recognition criteria for including assets and liabilities in financial statements.

The Company has concluded that no additional references are required to be made for stated items of income or other comprehensive income, assets or liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

2. LOSS FOR THE YEAR

Loss for the full year included the following:	Notes	Consolidated Entity 2022 $	Consolidated Entity 2021 $
(a) Research & Development Tax incentive (i)		1,711,903	1,290,899
(b) Other expenses (income)			
Unrealised loss (gain) in foreign currency translation		(59)	-
Realised loss (gain) in foreign currency translation		(760)	23,402
Loss (gain) on sale of property, plant and equipment		-	(6,204)
(c) Employee and labour expenses			
Salaries and wages		3,000,272	2,211,096
Other personnel costs		473,351	223,957
Superannuation		297,461	205,974
Increase in leave liabilities		76,201	85,701
		3,847,285	2,726,728
Share based payments expense	1(g), 14	511,693	147,500
		4,358,978	2,874,228

(i) Research & Development Tax incentive

The Company undertakes a substantial amount of research in its daily activities. The Company has registered its activities and is able to claim a tax incentive (rebate) each year based on eligible research and development costs incurred during a financial year. The amount of the incentive (rebate) is included as an income item in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2022, and the corresponding receivable included in the consolidated statement of financial position. The receipt of the tax incentive will occur in the year ended 30 June 2023.

3. INCOME TAX EXPENSE / (BENEFIT)

(a) Income tax expense / (benefit)	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Current tax / (over provision in prior year)	-	-
Deferred tax	-	-
(b) Numerical reconciliation of income tax to prima facie tax		
(Loss) from continuing operations	(4,972,960)	(2,859,663)
Tax at the Australia tax rate 25% (26% for 2021)	(1,243,240)	(743,512)
Tax effect of the amounts that are not deductible / (taxable) in calculating taxable income		
- Share based payments	127,923	38,350
- Research and development tax incentive	(427,976)	(335,634)
- Expected credit losses	76,170	45,653
- Reduction in loss for tax incentive	1,467,123	995,143
	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

3. INCOME TAX EXPENSE / (BENEFIT) (continued)

(c) Tax losses

Unused tax losses for which no deferred tax assets have been recognised	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Australian losses	5,411,199	3,435,614
Potential tax benefit at 25% (26% for 2021)	1,352,800	893,260

The tax benefits of the above deferred tax assets will only be obtained if:
(i) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
(ii) the Company continues to comply with the conditions for deductibility imposed by law; and
(iii) no changes in income tax legislation adversely affects the Company in utilising the benefits.

(d) Unrecognised temporary differences

Provisions	9,270	24,473
Accruals	116,723	85,701
Tax losses	5,411,199	3,435,614
	5,537,192	3,545,788

4. RECONCILIATION OF CASH

	Notes		
Cash at bank		1,111,514	554,834
Deposits at call		1,000,000	5,050,000
		2,111,514	5,604,834

Reconciliation of loss after income tax to net cash flows from operating activities

Loss for the year		(4,972,960)	(2,859,663)
Non-cash items:			
Depreciation		416,861	372,518
Unrealised foreign currency loss (gain)		(59)	-
Share based payments expense	1(g), 14	511,693	147,500
Financing Activities:			
Share issue in lieu of cash payment		-	180,000
Investing Activities:			
Gain on sale of Property, Plant and Equipment		-	(6,204)
Operating Activities:			
(Increase) / decrease in trade and other debtors		(139,077)	63,538
(Increase) / decrease in other assets		(438,148)	(43,930)
Increase / (decrease) in trade and other creditors		1,005,526	(148,848)
Increase / (decrease) in provisions		76,201	86,016
		(3,539,963)	(2,209,073)

Refer to Note 17 for further information on risk exposure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

5. REVENUE

The Company has disaggregated revenue into various categories which is intended to:

- Depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors, and
- Enable users to understand the relationship with revenue information in the statement of profit or loss and other comprehensive income.

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Product Type		
PromarkerD	-	-
Analytical Services	1,489,323	1,310,824
	1,489,323	1,310,824
Timing of Transfer of Goods and Services		
Point in time	-	-
Over Time	1,489,323	1,310,824
	1,489,323	1,310,824
Primary Geographic Markets		
Australia and NZ	1,217,411	972,653
USA (and Territories)	155,224	-
Europe	108,469	198,344
India	6,183	105,309
SE Asia	2,036	34,518
	1,489,323	1,310,824
Deferred Revenue (i) (ii)		
Current	355,977	270,552
Non-Current	133,920	99,403
	489,897	369,955

(i) Deferred Grant Revenue refer Note 1(j)
(ii) Deferred grant revenue in relation to a funding secured to support manufacture of the PromarkerD test in Australia

6. TRADE AND OTHER RECEIVABLES

Trade receivables	438,102	434,170
less: Expected credit losses (c)	-	(175,588)
Other receivables - GST Receivable	2,023	42,466
	440,125	301,048

(a) Classification of trade and other receivables:
Trade receivables are amounts due from customers for services performed in the ordinary course of business. The trade receivables are generally due for settlement within 60 days and therefore are classified as current.

(b) Fair value of trade and other receivables:
Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

(c) The Company has adopted the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected credit loss is calculated to be nil at 30 June 2022 ($175,588 as at 30 June 2021).

(d) Refer to Note 17 for further information on risk exposure.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

7. OTHER ASSETS

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Current:		
Research and development tax incentive (i)	1,711,903	1,290,899
Patent Fee - Advances	7,860	10,585
Accrued Income	7,000	-
Prepayments (ii)	83,750	130,444
	1,810,513	1,431,928

(i) refer to Note 2(a) (i)
(ii) comprises prepaid insurance and equipment maintenance agreement.

8. RIGHT-OF-USE ASSET

The Company entered into a facility licence agreement with the Harry Perkins Institute of Medical Research, whereby the Company was granted the right to occupy laboratory and office premises for a period of three years commencing 1 July 2019.
The Company has recognised this as a right-of-use asset.
The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Right-of-use asset	191,737	191,737
Accumulated depreciation	(191,737)	(127,824)
	-	63,913

9. PROPERTY, PLANT AND EQUIPMENT

Plant and Equipment at cost (i)	2,576,492	2,447,034
Accumulated depreciation	(1,603,101)	(1,250,158)
Closing Net Book Value	973,391	1,196,876
Reconciliation:		
Opening net book value	1,196,876	1,308,277
Additions	129,463	205,166
Disposals	-	(7,961)
Depreciation charge	(352,948)	(308,606)
Closing Net Book Value	973,391	1,196,876

(i) includes capitalised leased assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

10. TRADE AND OTHER PAYABLES

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Current:		
Trade payables	517,047	142,273
Other payables	631,630	121,414
	1,148,677	263,687

(a) Classification of trade and other payables:
Trade payable are unsecured and are usually paid within 60 days of recognition and therefore are classified as current.

(b) Fair value of trade and other payables:
The carrying amount of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.

(c) Refer to Note 17 for further information on risk exposure.

11. PROVISIONS

Current:		
Fringe Benefits Tax	-	771
Employee benefits - annual leave	197,031	174,981
	197,031	175,752
Non-current		
Employee benefits - long service leave	166,671	111,749

12. LEASE LIABILITY

The Company entered into a facility licence agreement with the Harry Perkins Institute of Medical Research, whereby the Company was granted the right to occupy laboratory and office premises for a period of three years commencing 1 July 2019.

The Company recognised the right to occupy the laboratory and office premises as a lease liability. This facility licence agreement terminated on 1 July 2022 and, at the date of this report, a renewal of the facility licence agreement had been agreed, with the terms and fees to be determined.

Current:		
Lease liability	-	69,046
	-	69,046

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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13. ISSUED CAPITAL

	2022 Shares	2021 Shares	2022 $	2021 $
Ordinary Shares	105,705,875	105,205,875	19,340,914	19,095,277
Total consolidated issued capital				

Movement in share capital

Date	Details	Number of shares 2022	Amount $
1/07/2021	Opening balance	105,205,875	19,095,227
2/08/2021	Exercise of options (i)	50,000	25,000
4/11/2021	Exercise of options (ii)	400,000	200,000
11/02/2022	Exercise of options (i)	50,000	25,000
	Less: Transaction costs		(4,313)
30/06/2022	Closing balance	105,705,875	19,340,914

(i) Corporate Advisors Alto Capital and Adelaide Equity Partners exercised 100,000 options.

(ii) Director A options exercised by Terry Sweet, Ian Roger Moore and Paul House.

Date	Details	Number of shares 2021	$
1/07/2020	Opening balance	92,405,875	13,391,543
23/10/2020	Issue of shares (i)	12,500,000	6,000,000
26/02/2021	Exercise of options (ii)	150,000	75,000
15/03/2021	Exercise of options (iii)	150,000	75,000
	Less: Transaction costs		(446,316)
30/06/2021	Closing balance	105,205,875	19,095,227

(i) Issued following placement to UK and Australian-based institutions, sophisticated and professional investors.

(ii) Corporate Advisors Alto Capital and Adelaide Equity Partners exercised 150,000 options.

(iii) Employees exercised 150,000 unquoted employee options pursuant to an Employee Incentive Option Plan.

Ordinary shares

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

Upon a poll every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, for each share held

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

14. OPTIONS

(a) Options - Issued

	2022 Options	2021 Options
Options exercisable at $0.67 each (i)	400,000	400,000
Options exercisable at $0.50 each (ii)	2,790,279	2,890,279
Options exercisable at $0.50 each (iii)	400,000	400,000
Options exercisable at $0.50 each (iv)	1,250,000	1,250,000
Options exercisable at $0.75 each (v)	1,100,000	1,100,000
Options exercisable at $0.75 each (vi)	1,100,000	1,100,000
Options exercisable at $1.75 each (vii)	500,000	500,000
Options exercisable at $1.44 each (viii)	300,000	-
Options exercisable at $1.16 each (ix)	150,000	-
Options exercisable at $0.50 each (x)		400,000
Total issued options	7,990,279	8,040,279

Movement in options issued

	2022		2021	
	Average exercise price	Number of Options	Average exercise price	Number of Options
As at 1 July	$0.62	8,040,279	$0.46	4,390,279
Issued during the period	-	-	$0.50	1,250,000
Exercise of options during the period	-	-	$0.50	(150,000)
Exercise of options during the period	$0.50	(400,000)	-	-
Exercise of options during the period	$0.50	(100,000)	-	-
Exercise of options during the period	-	-	$0.50	(150,000)
Issued during the period	-	-	$0.75	1,100,000
Issued during the period	-	-	$0.75	1,100,000
Issued during the period	-	-	$1.75	500,000
Issued during the period	$1.44	300,000	-	-
Issued during the period	$1.16	150,000	-	-
As at 30 June	$0.66	7,990,279	$0.62	8,040,279

Issued options outstanding at the end of the year have the following expiry date and exercise price:

Grant Date	Expiry Date	Exercise Price	No. Options
21/11/2018 (i)	22/11/2022	$0.67	400,000
27/03/2020 (ii)	27/03/2023	$0.50	2,790,279
11/05/2020 (iii)	1/05/2023	$0.50	400,000
18/08/2020 (iv)	18/08/2023	$0.50	1,250,000
2/11/2020 (v)	28/01/2023	$0.75	1,100,000
2/11/2020 (vi)	28/01/2023	$0.75	1,100,000
30/04/2021 (vii)	30/04/2023	$1.75	500,000
20/07/2021 (viii)	1/06/2024	$1.44	300,000
20/07/2021 (ix)	12/07/2024	$1.16	150,000

(i) Unlisted - Director B options issued to Directors - Terry Sweet, Ian Roger Moore and Paul House for nil consideration and issued as a reward and incentive.
(ii) Unlisted - issued to corporate advisors - Alto Capital and Adelaide Equity Partners for services
(iii) Unlisted - employee options issued to employees nil consideration under an Employee
(iv) Unlisted - issued to consultant - Candour Advisory Pty Ltd for services provided.
(V) Unlisted - consultant - Euroz Hartleys Securities Limited for services provided.
(Vi) Unlisted - issued to consultant - Candour Advisory Pty Ltd for services provided.
(Vii) Unlisted - consultant - Euroz Hartleys Securities Limited for services provided.
(Viii) Unlisted - issued to key managament personnel (CCO) under Employee Incentive Options Plan.
(ix) Unlisted - issued to key managament personnel (CFO) under Employee Incentive Options Plan.
(x) Unlisted - Director A options issued to Directors - Terry Sweet, Ian Roger Moore and Paul House for nil consideration and issued as a reward and incentive.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

14. OPTIONS (continued)

(a) Fair Value of Employee Incentive Options - Chief Commercialisation Officer (CCO)

These options were issued on 20 July 2021 pursuant to the terms of an Employee Incentive Oprions Plan and are issued in tranches of 100,000 options with differing vesting dates.

The assessed fair value at grant date was determined using a Black-Scholes Model with the following key inputs:

Particulars	Tranche 1	Tranche 2	Tranche 3
Number of CCO options	100,000	100,000	100,000
Valuation date	20 July 2021	20 July 2021	20 July 2021
Expiry date	1 June 2024	1 June 2024	1 June 2024
Vesting date	1 June 2022	1 June 2023	1 June 2024
Underlying share price used	$1.015	$1.015	$1.015
Exercise price	$1.44	$1.44	$1.44
Risk-free rate	0.13%	0.13%	0.13%
Volatility	75%	75%	75%
Dividend yield	nil	nil	nil
Valuation per Option	$0.3905	$0.3905	$0.3905

These CCO options will expire on 1 June 2024 (the expiry date) and, once vested, may be exercised at any time prior to the expiry date. Options not so exercised shall lapse on the expiry date.

The total determined value for these CCO options is $117,142 and the amount allocated to the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $68,228. Options not so exercised shall lapse on the expiry date. Options will immediately lapse if employment ceases prior to the vesting date.

(b) Fair Value of Employee Incentive Options - Chief Financial Officer (CFO)

These options were issued on 20 July 2021 pursuant to the terms of an Employee Incentive Oprions Plan and are issued in tranches of 50,000 options with differing vesting dates.

The assessed fair value at grant date was determined using a Black-Scholes Model with the following key inputs:

Particulars	Tranche 1	Tranche 2	Tranche 3
Number of CFO options	50,000	50,000	50,000
Valuation date	20 July 2021	20 July 2021	20 July 2021
Expiry date	12 July 2024	12 July 2024	12 July 2024
Vesting date	12 July 2022	12 July 2023	12 July 2024
Underlying share price used	$1.015	$1.015	$1.015
Exercise price	$1.16	$1.16	$1.16
Risk-free rate	0.13%	0.13%	0.13%
Volatility	75%	75%	75%
Dividend yield	nil	nil	nil
Valuation per Option	$0.4558	$0.4558	$0.4558

These CFO options will expire on 12 July 2024 (the expiry date) and, once vested, may be exercised at any time prior to the expiry date. Options not so exercised shall lapse on the expiry date. Options will immediately lapse if employment ceases prior to the vesting date.

The total determined value for these CFO options is $68,372 and the amount allocated to the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $39,540.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

(c) Options - Unissued	2022 Options	2021 Options
Director C Options exerciseable at $1.72 each (i)	375,000	-
Director D Options exerciseable at $2.29 each (Ii)	375,000	-
Total Unissued options	750,000	-

Unissued options outstanding as at 30 June 2022 have the following expiry date and exercise price.

Valuation Date	Expiry Date	Exercise Price	No. Options
(i) 30/06/2022	31/12/2024	$1.72	375,000
(ii) 30/06/2022	31/12/2025	$2.29	375,000

Fair Value of Director C and Director D Options.

These unissued options were offered 15 November 2021 to newly appointed non-executive directors Dr Elliott and Mr Gardiner as an effective and efficient method of supplementing non-executive director's fees.

Although these unissued options are subject to shareholder approval at the next AGM date, expected to be on 24 November 2022, they have been provisionally valued at the grant/valuation date, as follows:

Particulars	Director C	Director D
Number of options	375,000	375,000
Valuation date	30 June 2022	30 June 2022
Expiry date	31 December 2024	31 December 2025
Underlying share price used	$0.930	$0.930
Exercise price	$1.237	$1.65
Risk-free rate	3.29%	3.29%
Volatility	75%	75%
Dividend yield	nil	nil
Valuation per Option	$0.4055	$0.4143

The value placed on these unissued Director C options is $180,668 and the amount allocated to the share based payments expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $92,303.

The value placed on these unissued Director D options is $183,584 and the amount allocated to the share based payments expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $94,286.

The Company has used the Simple European Call Option Model to value the Director C and Director D options.

(d) Share based payments expense	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Share based payments expense comprising:		
Consultant options - refer Note 14 (a)	-	147,500
CCO and CFO options - refer note 14 (a)	107,769	-
Director C and Director D options - refer note 14 (b)	186,589	-
CCO and CFO Performance rights - refer note 15	118,355	-
Performance rights to employees - refer note 15	98,980	-
	511,693	147,500

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

15. RESERVES

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Share based payments reserve comprising:		
(a) Unlisted Options (i)		
Payments to consultants	783,666	783,666
Employee share scheme	208,577	208,577
Director A & B	179,062	179,062
Director C & D	186,589	-
Key management personnel	107,769	-
(b) Unlisted Performance Rights		
Key management personnel	118,355	-
Employees	98,980	-
	1,682,998	1,171,305

(i) Refer to Note 14 for further information.

(a) Performance Rights issued to Key Management Personnel

	2022 Rights	2021 Rights	2022 $	2021 $
Chief Commercialisation Officer (CCO)	223,548	-	84,851	-
Chief Financial Officer (CFO)	73,095	-	33,504	-
	296,643	-	118,355	-

Class of performance rights	Number issued to Chief Commercialisation Officer (CCO)	Number issued to Chief Financial Officer (CFO)
Tranche 1 performance rights	11,774	11,521
Tranche 2 performance rights	11,774	11,574
Milestone A performance rights	50,000	-
Milestone B performance rights	50,000	-
Milestone C performance rights	100,000	50,000
	223,548	73,095

Tranche 1 performance rights are subject to continuous service under the Employment Contract, and were issued on 20 July 2021 and vested on 1 July 2022.

Tranche 2 performance rights are subject to continuous service under the Employment Contract, and were issued on 20 July 2021 and will vest on 1 July 2023.

Milestone A performance rights are subject to the receipt by the Company of payment for a specified number of PromarkerD patient tests billed in the USA, and were issued on 20 July 2021 and will lapse within 3 years of the commencement of the Employment Contract.

Milestone B performance rights are subject to the receipt by the Company of payment for a specified number of PromarkerD patient tests billed for any country (excluding the USA), and were issued on 20 July 2021 and will lapse within 3 years of the commencement of the Employment Contract.

Milestone C performance rights are subject to the Company achieving an annual net profit target set by the Board and independently verified by the Company's auditors, and were issued on 20 July 2021 and will lapse after 3 full financial years of the commencement of the Employment Contract.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

15. RESERVES (continued)

Each performance right automatically converts into one ordinary share on vesting at an exercise price of nil. The CCO and the CFO (referred to as the executives) do not receive any dividends and are not entitled to vote in relation to the performance rights during the vesting period.

If an executive ceases to be employed by the Company within this period, the performance rights issued to that executive will be forfeited.

The fair value of these performance rights at grant date was estimated by taking the market price of the Company's shares on that date less the present value of expected dividends that will not be received by the executives on their rights during the vesting period. The fair value is estimated at $301,092 and the emount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $118,355.

(b) Performance Rights issued to Employees

	2022 Rights	2021 Rights	2022 $	2021 $
Employees	143,334	-	98,980	-

Class of performance rights	Number issued
Class A performance rights	47,778
Class B performance rights	47,778
Class C performance rights	47,778
	143,334

Class A performance rights are subject to continuous service under the Employment Contract, and were issued on 13 December 2021 and vested on 30 June 2022.

Class B performance rights are subject to continuous service under the Employment Contract, and were issued on 13 December 2021 and will vest on 30 June 2023.

Class C performance rights are subject to continuous service under the Employment Contract, and were issued on 13 December 2021 and will vest on 30 June 2024.

The fair value of these performance rights is $161,967 and the emount allocated to the share based payment expense in the statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is $98,980.

16. ACCUMULATED LOSSES

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Opening balance	(12,657,110)	(10,007,742)
Reclassification of option reserve	-	210,295
Loss for the year	(4,972,960)	(2,859,663)
Closing balance	(17,630,070)	(12,657,110)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

17. FINANCIAL RISK MANAGEMENT

The activities of the Company expose it to a variety of financial risks (including interest rate risk, credit risk and liquidity risk). The Company's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. However, the Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and aging analysis for credit risk. At present the Company is not exposed to price risk.

Risk management is carried out by the Board of Directors with assistance from suitably qualified external advisors where necessary. The Board provides written principles for overall risk management and further policies will evolve commensurate with the evolution and growth of the Company.

The Company holds the following financial instruments:

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Financial assets		
Cash and cash equivalents	2,111,514	5,604,834
Trade and other receivables (a)	440,125	258,582
Research & Development tax incentive (b)	1,711,903	1,290,899
	4,263,542	7,154,315
Financial liabilities		
Trade and other payables (c)	(1,638,574)	(221,866)
Borrowings and lease liabilities	-	(69,046)
	(1,638,574)	(290,912)

(a) excludes GST receivables and prepayments.
(b) the receipt of the Research & Development tax incentive will occur in the year ending 30 June 2023.
(c) excludes GST payable and employee benefits.

The main purpose of the financial instruments is to fund the Company's operations.

It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments for the purpose of limiting exposure to operational risk shall be undertaken. The main risk is cash flow (interest rate risk, liquidity risk and credit risk). The Board reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Market Risk

(i) Cash flow and interest rate risk

The Company's only interest rate risk arises from cash and cash equivalents held. Term deposits and current accounts held with variable interest rates expose the Company to cash flow interest rate risk. The Company does not consider this to be material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

17. FINANCIAL RISK MANAGEMENT (continued)

The following sets out the Company's exposure to interest rate risk, including the effective weighted average interest rate by maturity periods.

Details	Note	Weighted Average Interest Rate	Total $
30 June 2022 Consolidated			
Financial assets			
Cash and cash equivalents		0.26%	4,263,542
30 June 2021 Consolidated			
Financial assets			
Cash and cash equivalents		2.59%	7,196,781

All other financial instruments have either a zero coupon rate or a fixed interest rate.

Sensitivity

At 30 June 2022, if interest rates had increased by 0.25% or decreased by 0.25% from the year end rates with all other variables held constant, post-tax loss for the year would have been $4,426 lower / ($4,426) higher, mainly as a result of higher / lower interest income from cash and cash equivalents (2021 changes of 0.25% / 0.25%: $2,545 lower/ ($2,545) higher).

(ii) Foreign currency risk

The Company is exposed to movements in foreign exchange due to the number of clients that the Company currently works with overseas. The Company does not currently hedge its exposure to foreign currency sales and therefore the impact on the financial statements at year end for foreign currency movements is below:

Exposure

	30 June 2022		30 June 2021	
	USD	JPY	USD	JPY
Trade receivables	6,563	-	255,974	0

Sensitivity

The sensitivity of the profit or loss to changes in exchange rates arising in mainly USD/AUD denominated financial instruments and the impact of the other components of equity is listed below:

	Impact on post tax profits		Impact on equity	
	2022 $	2021 $	2022 $	2021 $
USD/AUD exchange rate - increase 5%	(433)	(16,305)	433	16,305
USD/AUD exchange rate - decrease 15%	1,601	60,475	(1,601)	(60,475)

(b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. Otherwise, if there is no independent rating, the board assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by the managing director. Sales to retail customers are required to be settled in cash (in part, in advance) or using major financial institutional payment processes, to mitigate credit risk.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

17. FINANCIAL RISK MANAGEMENT (continued)

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
Financial assets		
Cash and cash equivalents	2,111,514	5,604,834
Trade and Other Receivables	440,125	301,048
Research and development tax incentive	1,711,903	1,290,899
	4,263,542	7,196,781

The Company's financier has an AA Moody's rating.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

The Directors monitor the cash-burn rate of the Company on an ongoing basis against budget. As at reporting date the Company had sufficient cash reserves to meet its requirements. The Company has no access to credit standby facilities or arrangements for further funding or additional capacity in its borrowing arrangements.

The financial liabilities the Company had at reporting date were trade payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(i) Assessment of contractual cash flows

Contractual maturities of financial liabilities As at 30 June 2022	Less than 6 Months $	6 - 12 Months $	Between 1 and 2 years $	Between 2 and 5 years $	Total Contractual Cash Flows $	Carrying Amount $
Non-derivatives						
Non-interest bearing						
Trade payables	517,047	-	-	-	517,047	517,047
Other payables	1,121,527	-	-	-	1,121,527	1,121,527
Interest bearing						
Lease Liability	-	-	-	-	-	-
Total non-derivative	1,638,574	-	-	-	1,638,574	1,638,574

Contractual maturities of financial As at 30 June 2021	Less than 6 Months $	6 - 12 Months $	Between 1 and 2 years $	Between 2 and 5 years $	Total Contractual Cash Flows $	Carrying Amount $
Non-derivatives						
Non-interest bearing						
Trade payables	142,273	-	-	-	142,273	142,273
Interest bearing						
Lease Liability	35,016	36,276	-	-	71,292	69,046
Total non-derivative	177,289	36,276	-	-	213,565	211,319

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

17. FINANCIAL RISK MANAGEMENT (continued)

(d) Fair Value Estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement and for disclosure purposes.

The carrying value less impairment provision of receivables and trade payables are assumed to approximate their fair values due to their short-term nature.

(e) Capital management

When managing capital, the Board's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company.

The Board is constantly adjusting the capital structure to take advantage of favorable costs of capital or high return on assets. As the market is constantly changing, the board may issue new shares, sell assets to reduce debt or consider payment of dividends to shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company has no formal financing and gearing policy or criteria having regard to the early status of its development and low level of activity.

There were no changes in the Company's approach to the capital management during the year ended 30 June 2022.

The Company is not subject to any externally imposed capital requirements.

18. CONSOLIDATED ENTITIES

Name of entity	Class of share	Country of Incorporation	Equity Holding 2022 %	Equity Holding 2021 %
Accounting Parent				
Proteomics International Pty Ltd		Australia	100	100
Two-Tag Holdings Pty Ltd (i)		Australia	-	100
OxiDX Pty Ltd (ii)		Australia	66	-
Legal Parent				
Proteomics International Laboratories Ltd	Ordinary	Australia	-	-

(i) Two-Tag Holdings Pty Ltd was incorporated on 19 August 2020 and holds the patents related to Oxidative Stress ("Two-Tag") as detailed in the Review of Operations.

(ii) During the year ended 30 June 2022 the company transferred its share in Two Tag in exchange for 66% of the issued capital of OxiDx Pty Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

19. REMUNERATION OF AUDITORS

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
(a) Audit services		
- BDO Audit (WA) Pty Ltd	50,799	48,535
(b) Non-audit services		
- BDO Corporate Finance	-	-
- BDO Corporate Tax (WA) Pty Ltd (i)	16,310	3,100

(i) Consulting services have been provided by BDO.

20. COMMITMENTS

The Company pays fees to access strategic locations to use laboratories and specialised equipment to undertake its operations. This facility licence agreement terminated on 1 July 2022, and, as at the date of this report, a new facility licence agreement had not been entered into. [See Note 12]

21. RELATED PARTIES

(a) Directors and Key Management Personnel remuneration

Short-term employee benefits	1,319,965	390,000
Post-employment benefits	78,851	58,901
	1,398,816	448,901

The following comprise the key management personnel of the Company:
(i) Managing Director
(ii) Chief Commercialisation Officer
(iii) Chief Financial Officer

(b) Transactions with Key Management Personnel

There were no consultancy services provided by key management personnel during the year ended 30 June 2022.

No loans were provided by Key Management Personnel during the year ended 30 June 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

22. DIVIDENDS

The directors have not paid or declared a dividend during the financial years ended 30 June 2022 and 30 June 2021.

23. CONTINGENT LIABILITIES

The Company is not aware of any material contingent liabilities for the years ended 30 June 2022 and 30 June 2021.

24. SEGMENT REPORTING

The Board monitors the operations of the Company as one single segment. The actual to budget items and a detailed profit or loss are reported to the board to assess the performance of the Company.

The Board has determined that strategic decision making is facilitated by evaluation of the operations of the legal parent and subsidiary which represent the operational performance of the Company's revenues and the research and development activities as well as the finance, treasury, compliance and funding elements of the Company.

25. LOSS PER SHARE

	Consolidated Entity 2022 $	Consolidated Entity 2021 $
(loss) attributable to ordinary shareholders	(4,972,960)	(2,859,663)
Weighted average number of ordinary shares*	105,531,217	101,703,361
Loss per share	($0.05)	($0.03)

*Includes the effect of the transactions (under continuation accounting) for the purpose of the comparative earnings per share calculation.

26. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 25 July 2022, Proteomics International announced that its European patent protection for the Company's PromarkerD predictive test had been expanded to include diagnosing all individuals who are prediabetic and asymptomatic for kidney disease.

On 1 August 2022, Proteomics International announced that an early version of the Company's potential world-first blood test for endometriosis had successfully detected up to 78 per cent of people with the painful condition.

On 2 August 2022, Proteomics International announced that a study demonstrating the clinical utility of the PromarkerD test in predicting diabetic kidney disease was published in the journal PLOS ONE (a peer-reviewed, open access journal published by the Public Library of Science (PLOS)).

On 9 August 2022, Proteomics International announced that it had signed a binding and exclusive letter of intent (LOI) with Sonic Healthcare USA, Inc. (a division of Sonic Healthcare Limited; ASX: SHL) regarding entering into an exclusive licence for use of the Company's PromarkerD test for diabetic kidney disease in the United States.

On 15 August 2022, Proteomics International announced that it had received firm commitments for a share placement to raise $8 million (before costs) through the issue of 9.41 million shares in the Company ("the Placement"). The Placement was heavily oversubscribed, supported by Australian-based institutions, and sophisticated and professional investors and completed on 22 August 2022.

Proteomics International Laboratories Ltd

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2022

26. EVENTS OCCURRING AFTER THE REPORTING PERIOD (continued)

On 29 August 2022, Proteomics International announced the spin-off of OxiDx Pty Ltd, an independent business to commercialise technology for measuring oxidative stress developed in collaboration with The University of Western Australia.

No other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect the consolidated entity's operations, or the consolidated entity's state of affairs in future years.

27 PARENT ENTITY INFORMATION

The following information relates to the legal parent entity, Proteomics International Laboratories Ltd, as at 30 June 2022. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2022 $	2021 $
Current assets	1,170,154	5,216,361
Non-current assets	5,250,000	5,250,000
Total Assets	6,420,154	10,466,361
Current liabilities	148,095	78,978
Non-current liabilities	-	-
Total Liabilities	148,095	78,978
Equiy		
Share Capital	13,198,465	12,970,747
Reserve	1,682,998	1,171,305
Accumulated Losses	(8,609,404)	(3,754,669)
Total Equity*	6,272,059	10,387,383
(Loss) for the year	(4,854,735)	(1,118,039)
Other comprehensive income / (loss) for the year	-	-
Total comprehensive (loss) for the year	(4,854,735)	(1,118,039)

*Net assets are higher than the group due to investment in subsidiary

Contingent liabilities of the parent entity

The Company is not aware of any material contingent liabilities for the year ended 30 June 2022.

Commitments of the parent entity

Other than as described at Note 20, the Company does not have any other on-going commitments.

28. INTERESTS IN OTHER ENTITIES

The Company does not currently have any interests in other entities.

29. DEED OF CROSS GUARANTEE

The Company has not currently entered into a deed of cross guarantee.

30. ASSETS PLEDGED AS SECURITY

The Company has no assets that have been pledged as security.

Directors' Declaration

The Directors of the Company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flow, consolidated statements of changes in equity, accompanying notes, are in accordance with the *Corporations Act 2001* and:

   (a) comply with Accounting Standard, the *Corporations Regulations 2001,* other mandatory professional reporting requirements; and

   (b) give a true and fair view of the financial position as at 30 June 2022 and the performance for the year ended on that date of the consolidated entity; and

   (c) comply with International Financial Reporting Standards as disclosed in Note 1.

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.

3. The remuneration disclosures included in the Directors' Report (as part of the Remuneration Report) for the year ended 30 June 2022 comply with Section 300A of the *Corporations Act 2001* .

4. The Directors have been given the declarations by the Managing Director required by Section 295A of the *Corporations Act 2001* .

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Neville Gardiner
Chairman

Perth, Western Australia

Dated: 30 August 2022

Proteomics International Laboratories Ltd

Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the members of Proteomics International Laboratories Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Proteomics International Laboratories Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, 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:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key audit matters

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

Independent Auditor's Report

Accounting for Share based payments

Key audit matter	*How the matter was addressed in our audit*
During the financial year ended 30 June 2022, the Group issued options and performance rights to key management personnel and employees. These instruments constitute share based payments in accordance with *AASB 2 Share based payments*. Refer to note 1(g), Note 14 and Note 15 of the financial report for a description of the accounting policy and key assumptions and inputs applied to determine the valuation of these options and performance rights. Due to the complex and judgmental estimates used in determining the valuation of the share based payments, we consider the accounting for the share based payment expense to be a key audit matter.	Our audit procedures in respect of this area included but were not limited to the following: • Reviewing the relevant agreements/ASX announcements to obtain an understanding of the contractual nature and terms and conditions of the share-based payment arrangements. • Assessing the assumptions and model used to measure and value the share-based payments relating to the options; • Involving our valuation specialists to assess the assumptions used in the Group's calculation being the share price of the underlying equity and volatility; • Considering the vesting conditions of the options and performance rights; and • Assessing the adequacy of the disclosure in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

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

Proteomics International Laboratories Ltd

Independent Auditor's Report

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 30 to 40 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Proteomics International Laboratories Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

BDO Audit (WA) Pty Ltd

Ashleigh Woodley

Director

Perth

30 August 2022

Proteomics International Laboratories Ltd

Shareholder Information

Details of securities as at 22 August 2022:

Capital structure

Securities	Number
Fully paid ordinary shares	114,894,595
Director B Options exercisable at $0.67 each and expiring on 22 November 2022	400,000
Placement Corporate Advisory Options exercisable at $0.75 each and expiring on 28 January 2023	2,200,000
Placement Corporate Advisory Options exercisable at $0.50 each and expiring on 27 March 2023	2,790,279
Consultant Corporate Advisory Options exercisable at $1.75 each and expiring on 30 April2023	500,000
Employee Options exercisable at $0.50 each and expiring on 1 May 2023	400,000
Consultant Corporate Advisory Options exercisable at $0.50 each and expiring on 18 August 2023	1,250,000
Employee Options exercisable at $1.44 each and expiring on 1 June 2024	300,000
Employee Options exercisable at $1.16 each and expiring on 12 July 2024	150,000
Performance rights subject to vesting conditions and expiring on 31 July 2023	47,778
Performance rights subject to vesting conditions and expiring on 1 June 2024	111,774
Performance rights subject to vesting conditions and expiring on 12 July 2024	11,574
Performance rights subject to vesting conditions and expiring on 31 July 2024	47,778
Performance rights subject to vesting conditions and expiring on 30 September 2024	150,000

Top holders

The 20 largest registered holders of fully paid ordinary shares were:

Fully paid ordinary shares

	Name	Number	%
1.	RICHARD LIPSCOMBE	19,048,704	16.58%
2.	MR JOHN SUTHERLAND RICHARDSON DUNLOP	3,855,188	3.36%
3.	SPARROW HOLDINGS PTY LTD <SWEET SUPER FUND A/C>	2,335,500	2.03%
4.	HIMSTEDT & CO PTY LTD <THE HIMSTEDT FAMILY A/C>	2,076,471	1.81%
5.	RANDOLPH RESOURCES PTY LIMITED	1,949,000	1.70%
6.	NATIONAL NOMINEES LIMITED	1,794,870	1.56%
7.	ALTOR CAPITAL MANAGEMENT PTY LTD <ALTOR ALPHA FUND A/C>	1,610,000	1.40%
8.	XYLO PTY LTD <THE PARKER FAMILY A/C>	1,503,700	1.31%
9.	UBS NOMINEES PTY LTD	1,391,177	1.21%
10.	SLADE TECHNOLOGIES PTY LTD <EMBREY FAMILY SUPERFUND A/C>	1,140,000	0.99%
11.	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,128,493	0.98%
12.	MRS LISA FLOAN	1,125,000	0.98%
13.	MR KONRAD FLOAN	1,120,000	0.97%
14.	MCCUSKER HOLDINGS PTY LTD	1,000,000	0.87%
15.	MR DIRK CHARLES HAWKER VAN DISSEL <D&T VAN DISSEL FAMILY A/C>	989,000	0.86%
16.	BOND STREET CUSTODIANS LIMITED <LAM1 - D08047 A/C>	911,765	0.79%
17.	BFM SUPERANNUATION FUND PTY LTD	800,000	0.70%
18.	MOORE & SOTOMI INVESTMENTS PTY LTD <ROGER MOORE FAMILY A/C>	717,000	0.62%
19.	JETAN PTY LTD	700,000	0.61%
20.	CAMBERWELL GYNAECOLOGY CLINIC PTY LTD <SKINNER SUPER FUND A/C>	649,400	0.57%
		45,845,268	39.90%

Shareholder Information

Distribution schedule

A distribution schedule of each class of equity security

Fully paid ordinary shares

Range	Holders	Units	%
1 - 1,000	339	168,776	0.15%
1,001 - 5,000	544	1,598,621	1.39%
5,001 - 10,000	371	3,087,006	2.69%
10,001 - 100,000	832	27,430,158	23.87%
100,001 - Over	181	82,610,034	71.90%
Total	2267	114,894,595	100.00%

Substantial shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

Substantial shareholder	Number of Shares
Richard John Lipscombe and associated entities	19,048,704

Unmarketable parcels

Holdings less than a marketable parcel of ordinary shares (being 549 as at 22 August 2022):

Holders	Units
174	29,793

Unquoted securities

Unquoted securities on issue were:

Options

Class	Expiry Date	Exercise Price $	Number of Options	Number of holders
Director B Options	22 November 2022	0.67	400,000	3
T2 Placement Corporate Advisory Options	28 January 2023	0.75	2,200,000	4
T1 Placement Corporate Advisory Options	27 March 2023	0.50	2,790,279	15
T2 Consultant Corporate Advisory Options	30 April 2023	1.75	500,000	1
Employee Options	1 May 2023	0.50	400,000	5
T1 Consultant Corporate Advisory Options	18 August 2023	0.50	1,250,000	4
Employee Options	1 June 2024	1.44	300,000	1
Employee Options	12 July 2024	1.16	150,000	1

The holders of the Director Options are disclosed in the Directors' Report. The Employee Options were issued under the Proteomics Employee Incentive Option Plan.

Proteomics International Laboratories Ltd

Shareholder Information

T1 Placement Corporate Advisory Options

The holders of the T1 Placement Corporate Advisory Options were as follows:

	Name	Number	%
1.	BIG OAT PTY LTD	716,112	25.66%
2.	MRS ANNA FELICIA BELTON	500,000	17.92%
3.	ALASTAIR ANDREW MURRAY <MURRAY INVESTMENT A/C>	358,055	12.83%
4.	MR ANTHONY JOHN LOCANTRO	250,000	8.96%
5.	ARUMA ENTERPRISES PTY LTD <ARUMA SUPER FUND A/C>	245,000	8.78%
6.	GREENSEA INVESTMENTS PTY LTD	150,000	5.38%
7.	MR CARRICK DURRANT RYAN <CD & RV RYAN FAMILY NO2 A/C>	100,000	3.58%
8.	RAFTUS INVESTMENTS PTY LTD <GRACE FAMILY A/C>	100,000	3.58%
9.	ROBERT LAURENCE BOORMAN & LAURA LEE BOORMAN <THE BOORMAN S/F GROWTH A/C>	98,112	3.52%
10.	MR KYLE IAN JOSEPH MOSS <THE KM FAMILY A/C>	57,000	2.04%
11.	CHELSEA INVESTMENTS (WA) PTY LTD	50,000	1.79%
12.	ACNS CAPITAL MARKETS PTY LTD	50,000	1.79%
13.	DRP 2006 SUPER PTY LTD <DRP (2006) SUPER FUND A/C>	50,000	1.79%
14.	WEST KEY PTY LTD	50,000	1.79%
15.	MR SETH ANDRE LIZEE	16,000	0.57%
		2,790,279	100.00%

T2 Placement Corporate Advisory Options

The holders of the T2 Placement Corporate Advisory Options were as follows:

	Name	Number	%
1.	ZERO NOMINEES PTY LTD	1,100,000	50.00%
2.	DIRK CHARLES HAWKER VAN DISSEL <D & T VAN DISSEL FAMILY A/C>	825,000	37.50%
3.	PANDT (SA) PTY LTD <BOORMAN INVESTMENT A/C>	150,000	6.82%
4.	MR JOHN CHARLES LLOYD BOWERS	125,000	5.68%
		2,200,000	100.00%

T1 Consultant Corporate Advisory Options

The holders of the T1 Consultant Corporate Advisory Options were as follows:

	Name	Number	%
1.	DIRK CHARLES HAWKER VAN DISSEL <D & T VAN DISSEL FAMILY A/C>	856,250	68.50%
2.	ALASTAIR ANDREW MURRAY <MURRAY INVESTMENT A/C>	231,250	18.50%
3.	MR JOHN CHARLES LLOYD BOWERS	125,000	10.00%
4.	PANDT (SA) PTY LTD <BOORMAN INVESTMENT A/C>	37,500	3.00%
		1,250,000	100.00%

T2 Consultant Corporate Advisory Options

The holder of the T2 Consultant Corporate Advisory Options was Zero Nominees Pty Ltd.

Performance rights

Class	Expiry Date	Number of Rights	Number of holders
Performance rights	31 July 2023	47,778	22
Performance rights	1 June 2024	111,774	1
Performance rights	12 July 2024	11,574	1
Performance rights	31 July 2024	47,778	22
Performance rights	30 September 2024	150,000	2

The Performance Rights are subject to vesting conditions and were issued under the Proteomics Performance Rights Plan.

Shareholder Information

Voting Rights

The voting rights attaching to ordinary shares are:

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

Options and performance rights do not carry any voting rights.

On-Market Buy Back

There is no current on-market buy-back.

Proteomics International Laboratories Ltd

Glossary

Biologics	Medicinal protein products manufactured in or extracted from biological sources e.g. immunotherapies for cancer.
Biomarker	A measurable indicator of a state or condition, usually relating to early phase of diseases; a biological signature.
Biosimilars	Protein-based molecules that are biological medical products made to mimic an original "Biologic" drug.
Complementary diagnostic (CDx)	A complementary diagnostic is a test that aids in the benefit-risk decision making about the use of the therapeutic product for a given patient, where the difference in benefit-risk is clinically meaningful.
Diabetes	A group of metabolic diseases associated with high blood sugar levels.
Diabetic kidney disease (nephropathy)	A progressive disease of the kidneys caused by diabetes and leading to the malfunction of the kidneys and ultimately renal failure.
eGFR	The estimated Glomerular Filtration rate (eGFR) is a blood test used for the diagnosis of chronic kidney disease.
End stage renal disease (ESRD)	Kidney failure or ESRD is the final stage of kidney disease. Kidney failure means the use of dialysis or transplantation is required for survival. Diabetes is the most common cause of ESRD.
Immunoassay	A procedure for detecting or measuring specific proteins or other substances through the use of antibodies.
ISO 13485 certification	A certification granted to organisations involved in the manufacturing of medical devices that follow the internationally agreed standards of a quality management system.
Key Opinion Leader	Individuals or organisations with a respected social status, allowing their opinions to have sway in making important decisions.
Mass Spectrometry	The measurement of the mass to charge ratio of a molecule such as a peptide in order to determine its chemical structure.
Odds Ratio (OR)	A measure of association between two events. It can be used to determine whether a particular exposure is a risk factor for a particular outcome. In clinical research it gives direct information to doctors about which treatment approach has the best odds of benefiting the patient.
Oesophageal cancer	A cancer of the tube that runs from the throat to the stomach.
Oxidative Stress	An imbalance between reactive oxygen species and your body's ability to eliminate them or repair the resulting damage.
Probability (P)	The P value, or calculated probability, that an observation is true. Most authors refer to statistically significant as $P < 0.05$ and statistically highly significant as $P < 0.001$ (less than one in a thousand chance of being wrong).
Prognostic	A term for predicting the likely or expected development of a disease.
Proteomics	The large-scale study of protein structure and function.
Recombinant antibodies	Antibodies developed using synthetic genes.

Why are proteins important?

Genomes are static - the genes we are born with are the genes we die with, but the protein make up in our bodies differs from cell to cell and changes considerably over time. Cells use the instructions in our genes to make proteins. Proteins are the operational molecules of life and carry out the functions of living organisms.

The caterpillar and the butterfly have exactly the same genome. The proteins that their cells make are why they are different. Looking at the differences in protein composition can tell us about the state of life, and health, of any organism.

Proteomics is the study of proteins on an industrial scale.

Proteomics International Laboratories Ltd

Corporate Directory

Directors

Mr Neville Gardiner - Non-Executive Chairman

Dr Richard Lipscombe - Managing Director

Dr Robyn Elliott – Non-Executive Director

Mr Paul House - Non-Executive Director

Mr Roger Moore - Non-Executive Director

Company Secretary

Ms Karen Logan

Principal Place of Business

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E: enquiries@proteomicsinternational.com

W: www.proteomicsinternational.com

Registered Office

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West Perth WA 6005

Auditors

BDO Audit (WA) Pty Ltd

38 Station Street
Subiaco, WA 6008

Accountants

S Pugliese

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123A Colin Street
West Perth, WA 6005

Share Registry

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T: 1300 288 664

E: hello@automic.com.au

W: automicgroup.com.au

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LABORATORIES LTD