Echo IQ Limited
And Controlled Entities
ABN: 48 142 901 353

CONSOLIDATED FINANCIAL REPORT
For the Year Ended 30 June 2022

Contents

Corporate Directory

Directors

Andrew Grover	Executive Chairman
Steven Formica	Non-Executive Director
Stephen Picton	Non-Executive Director

Company Secretary
Jessamyn Lyons

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Stock Exchange Listing
Australian Securities Exchange [ASX: EIQ]
www.asx.com.au

Incorporation
Incorporated in Australia as a public company limited by shares
ACN: 142 901 353
ABN: 48 142 901 353

***** This entity is included for information purposes only, and has not been involved in the preparation of this Annual Report.

The Directors present the financial report of the Group for the year ended 30 June 2022, together with the audit report thereon. The Group consists of Echo IQ Limited (the Company) and the entities it controlled at period end or from time to time during the financial period.

1 Directors

The names of Directors who held office during or since the end of the period:

Andrew Grover Executive Chairman

Andrew has 26 years' experience in management, business development, sales & marketing, administration and technology across a diverse range of industries. As a founder and investor in numerous innovative companies, Andrew's businesses have been featured in BRW Fast 100 and Deloitte's Fast 50 over several years. Andrew has had several successful exits and has consulted to medium and top 100 companies. Andrew was also CEO of an executive recruitment agency which was acquired by an ASX listed company.

Andrew has served as a Director since 24 May 2019.
Andrew has no former or other current ASX listed directorships.

Steven Formica Non-Executive Director

Steven brings to the Group practical management and business development experience. He has been a successful businessman and operations manager for over 31 years in several privately held business ventures including manufacturing, construction, landscape contracting, property development and integrated wholesale and retail businesses. More recently he has been a successful investor and non-executive director in mineral resource companies.

Steve has served as a Director since 2 July 2018.
Steve is currently Chairman of Ragnar Metals Ltd. In the past 3 years, he has been a director of Jade Gas Holdings Limited (formerly High Grade Metals Limited), Bowen Coal Limited, Lindian Resources Limited and Orminex Limited

Stephen Picton Non-Executive Director (appointed 20 October 2021)

Steve holds a Bachelor of Science in technology and a Master of Science (Business) from London Business School and is both a Chartered Engineer and a Member of The Institute of Company Directors. He is also a Sloan Fellow which was awarded to him in 1993 by the Sloan Foundation as part of the joint MIT, Stanford and LBS programme. He has over 26 years' experience in the technology industry having held senior positions in British Telecom (BT) and AAPT prior to him forming gotalk and relaunching LBNCo.

2 Company Secretary

Jessamyn Lyons Company Secretary (appointed 22 October 2021)

Jessamyn is a Chartered Secretary, a Fellow of the Governance Institute of Australia and holds a Bachelor of Commerce from the University of Western Australia with majors in Investment Finance, Corporate Finance and Marketing. Jess is a highly experienced Company Secretary and has held positions with Macquarie Bank, UBS (London) and Patersons Securities.

Jessamyn currently holds position as Company Secretary of the below ASX listed companies:
- Doriemus Plc (DOR) (joint)
- Dreadnought Resources Ltd (DRE)
- Lunnon Metals Ltd (LM8)
- Ragnar Metals Ltd (RAG)

Lisa Wynne held office until her resignation on 22 October 2021.

3 Meetings of Directors

The number of meetings held during the year and the number of meetings attended by each Director was as follows:

Director	Number attended	Number held & eligible to attend
Andrew Grover	8	8
Steven Formica	8	8
Stephen Picton	4	4
Elizabeth Whitelock	4	4

The Group does not have an Audit, Remuneration or Nomination Committee with the full Board carrying out the functions that would otherwise be dealt with by such committees.

4 Principal Activities

The principal activities of the Group are the development and application of artificial intelligence for the cardiac diagnostics sector, as well as the supply of software used by the health fund/insurance sector (Prometheus Information Pty. Limited). In prior financial year, the principal activities of the Group were the development, marketing and commercialisation of software products and licences. With the sale of Prometheus Information Pty Limited the Group will be focussing principally on the Medical Technology sector.

5 Operating and Financial Review

Review of Operations

The Financial Year to 30 June 2022 was characterised by significant investment in, and progress towards, the delivery of a commercially viable ai-backed solution designed to support enhanced diagnosis in structural heart disease. Following the acquisition of Alerte Echo IQ Pty Ltd (now Echo IQ Global Pty Ltd) in June 2021, the Group undertook a strategic restructure to focus primarily on the Medical Technology sector. The Group remains focussed on using its artificial intelligence capability to transform the diagnosis of structural heart diseases, commencing with aortic stenosis. By November 2021 the Group had completed the re-naming of the consolidated entity to ECHOIQ Limited (Echo IQ) with the ASX ticker symbol of EIQ.

The first half of the financial year saw the announcement of maiden clinical studies of Echo IQ's technology to be fully funded by Edwards LifeSciences (NYSE: EW), the world's largest supplier of replacement aortic valves. These studies are currently underway, and results are expected prior to the end of CY22.

The Group remains highly driven by access to leading cardiac big data. In September 2021, Echo IQ extended its agreement with National Echo Database of Australia (NEDA) to secure access to a broader range of cardiac health data – fundamental to the Group's future product development pipeline.

The formation of a highly regarded Scientific Advisory Board further cemented the role of leading-edge research and cardiology practice at Echo IQ. Members of this influential group of subject-matter experts include Professor Huon Gray, the former National Clinical Director for heart disease at the National Health Service (NHS), England as well as NASA's lead scientist for ultrasound, Dr. Jim Thomas. It also includes several academic leaders operating at the nexus of structural heart disease and artificial intelligence including Drs. Partho Sungupta, David Ouyang and Jordan Strom.

The first in-person assembly of the Echo IQ Scientific Advisory Board was held in June 2022 at the American Society of Echocardiology conference in Seattle, USA, where several future products workstreams were initiated. The Group's presence at this important international event included Echo IQ's Chief Medical Officer, Chief Strategy and Research Officer, and newly appointed Chief Commercial Officer, where several developing commercial discussions were progressed with industry leaders in device manufacture, reporting software, diagnostic hardware, and pharmaceuticals.

Review of Operations (continued)

During the year, the Group invested significant resources in the design and commencement of its regulatory strategy. A newly appointment Regulatory Affairs VP, working closely with the Group's appointed specialist advisors, has developed a clear strategy to secure FDA certification for regulated aspects of its solution, under the 510(k) pathway. A pre-submission meeting with the FDA has been secured for early October, and the Group expects to complete its FDA certification towards the middle of 2023.

The year saw rapid progress in product development. The Group's first product to market, designed to support more accurate and rapid decision-making for clinicians and physicians seeking to better diagnose aortic stenosis (the most common form of heart valve disease) has been completed and is undergoing in-house testing and user-experience refinement. Additional conditions and diseases are now being incorporated into the Group's evolving product development pipeline.

The Group is pleased to have achieved HIPAA and SOC2 certification, two industry standards highly valued by the healthcare sector, particularly in the US. The ability to deliver working products that comply with the most stringent standards around data security and protection of healthcare information remains a key priority for Echo IQ.

In August 2022, Echo IQ gained significant exposure at the European Society of Echocardiology conference in Barcelona, Spain where Chief Strategy and Research Officer Professor Geoffrey Strange was invited to present some of the ground-breaking research that underpins the Group's products as Late Breaking Science. Being granted the opportunity to present research to leading academics, researchers and journalists in this way is highly sought after and a testament to the importance attached by influential leaders in the sector to the work being conducted at Echo IQ. The Group leveraged this exposure further by using the event to advance engagement with a number of commercial prospects.

To spearhead the development of the Group's business strategy in the world's most important cardiology market, the Group announced the appointment of Don Fowler as President, Echo IQ USA, in September, 2022. Mr. Fowler is a seasoned health care professional with extensive experience and influence in the sector. He spent more than 20 years in senior positions with Siemens Healthcare (USA) before joining Toshiba (USA) Medical Systems where he went on to hold roles as President, CEO and Board Director.

Results Overview

The Group reported a loss for the year ended 30 June 2022 of $5,992,040 (30 June 2021: loss of $2,994,255). Included in the loss for the financial year were non-cash Share Based Payments expenses of $2,629,409 for options issued (as outlined in detail in notes 21 and 22 to the financial statements) and profit from discontinued operations of $498,564 (2021: $417,721 (restated)) relating to the disposal of Prometheus Information Pty Ltd (as outlined in note 8 to the financial statements).

Operating revenue (excluding discontinued operations) for the financial year totaled $251,103 (2021: $441,983 (restated)) and operating expenses (excluding Share Based Payments expense and discontinued operations) totaled $4,152,840 (2021: $2,654,244).

Segment Overview

The Group is reporting segment information on the same basis as the Group's internal management reporting structure at reporting date. Commentary on the segments follows.

Houston We Have Software	FY22 $	FY21 $	Change %
Operating revenue	251,103	441,983	(43%)
Segment profit or (loss)[1]	(751,569)	(429,021)	75%

Echo IQ	FY22 $	FY21 $	Change %
Operating revenue	-	-	0%
Segment profit or (loss)[1]	(884,426)	(68,404)	1,193%

Prometheus Information	FY22 $	FY21 $	Change %
Operating revenue	652,989	541,200	21%
Segment profit or (loss)*	420,131	205,810	104%

* Segment profit or loss excludes certain corporate overhead costs that are not allocated at segment level.

Houston We Have Software operating revenue in financial year 2022 reflects the ongoing services and solutions provided to the Australian Department of Defence. Further to this, revenue has been earned through the consortium in the United Kingdom, as well as other opportunities domestically.

Prometheus Information operating revenue and segment operates exclusively in the Health Insurance sector. There have been opportunities to bring the proprietary software of Houston We Have to the Prometheus client base in a complementary and value-adding manner over the course of the financial year. This segment is presented as a discontinued operation in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Echo IQ's operating revenue and segment loss for FY22 is for the full financial year, compared with the prior year, which was 31 May 2021 to 30 June 2021. Echo IQ has identified a number of clear industry segments to pursue commercially, and in the short term is focused on developing these. Accordingly, there continues to be investment in resources ahead of the generation of revenue.

Financial Position and Cash Flow

The net assets of the Group have decreased to $8,019,971 at 30 June 2022 from net assets of $9,835,602 at 30 June 2021, driven by the Group's investments towards its strategic direction in enhanced diagnosis in structural heart disease though ai-backed solution.

The net cash outflow for the Group for the year totaled $1,405,130 (30 June 2021: net cash inflow of $334,935).

Cash outflows, for the year ended 30 June 2022, from operations totaled $2,584,797 compared with outflows $1,431,256 for 30 June 2021.

Capital expenditure for the year was $367,333 (2021: $1,002,560), including $325,000 (2021: $nil) was paid to NEDA to extend the initial agreement for additional access to the database.

Net cash inflows from financing activities totaled $1,547,000 for the financial year (2021: $2,768,751) was attributable to proceeds from the exercise of options. In 2021, net cash inflows from financing activities of $2,768,751 was primarily attributable to inflows from capital raising of $2,506,000.

Corporate Activities

Capital Raising

There were no capital raisings during the reporting period.

6 Dividends

No dividends were paid during the period and no recommendation is made as to payment of dividends.

7 Significant Changes in the State of Affairs

Other than the developments reported elsewhere in this report, specifically the planned sale of Prometheus Information Pty Limited, there were no significant changes in the state of affairs of the Group during the financial year ended 30 June 2022.

8 Environmental Regulation

The Group's operations are not regulated by any particular or significant law of the Commonwealth or of a State or Territory of Australia relating to the environment.

9 Economic, Environmental and Social Sustainability Risks

The Group does not consider that it has any material exposures to environmental and social sustainability risks.

10 Events Subsequent to Reporting Date

The sale of Prometheus Information Pty Limited, for the final consideration of $639,620 was completed on 1 July 2022. As at 30 June 2022, there were $495,888 and $434,042 recorded as assets held for sale and liabilities held for sale, respectively, in the Consolidated Statement of Financial Position. Additionally, operations relating to Prometheus Information Pty Limited were presented separately as a discontinued operation in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The disposal of this business unit supports the Group's stated intention to focus on the medical technology sector.

Other than the matters described above, there has not been any other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

11 Likely Developments

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group. However, the Directors and management of the Group intend to continue operations as conducted during the financial year and in a manner consistent with the Group's business model and growth strategy (which includes organic and acquisitive growth).

12 Directors Interests

The relevant interest of each Director in the shares and rights or options over such interests issued by companies within the Group, as notified by the Directors to the ASX in accordance with S205G(1) of the *Corporations Act 2001*, at the date of this report is as follows:

	Echo IQ Limited		
Director	Ordinary shares	Options over ordinary shares	Performance rights over ord. shares
Andrew Grover[1]	29,116,414	24,750,000	-
Steven Formica[2]	20,166,667	18,750,000	-
Stephen Picton[3]	21,114,854	2,000,000	-

13 Share Options

At the date of this report unissued shares of the Group under option are:

Number of options	Exercise price	Expiry date	Listed or Unlisted
39,375,000	$0.08	30 June 2023	Unlisted
10,000,000	$0.06	31 December 2023	Unlisted
1,000,000	$0.04	1 November 2024	Unlisted
47,500,000	$0.05	31 May 2024	Unlisted
500,000	$0.12	30 June 2023	Unlisted
1,000,000	$0.20	30 June 2023	Unlisted
1,000,000	$0.30	30 June 2024	Unlisted
8,000,000	$0.10	9 June 2024	Unlisted
8,000,000	$0.17	9 June 2024	Unlisted
14,000,000	$0.25	9 June 2024	Unlisted
13,000,000	$0.30	9 June 2024	Unlisted
2,000,000	$0.25	29 October 2024	Unlisted
25,000,000	$0.25	17 December 2024	Unlisted
6,000,000	$0.25	2 February 2025	Unlisted

There were 38,675,000 shares issued during the year ended 30 June 2022 from the exercise of the options.

14 Performance Shares

At the date of this report there were nil performance shares were on issue to Directors.

15 Indemnification and Insurance of Directors and Officers

The Group has indemnified, to the extent permitted by law, the Directors and officers of the Group against any liability incurred by a Director or officer in or arising out of the conduct of the business of the Group or in or arising out of the discharge of that officer's duties. No amount was paid pursuant to these indemnities during the financial year, nor subsequently to the date of this Annual Report.

During the financial year the Group paid, as permitted by law, a premium in respect of a contract to ensure the Directors and officers of the Group against a liability (including legal costs) incurred by a Director or officer in or arising out of the conduct of the business of the Group or in or arising out of the discharge of that officer's duties. Under the terms of that contract, the details of the nature and extent of the liabilities insured against and the amount of premiums paid are confidential.

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[1] These securities are directly held by A22 Pty Limited, a company wholly owned and controlled by Mr Grover's spouse. Mr Grover has no relevant interest in these securities, and this disclosure is made in the interest of good governance practices.
[2] These securities are held by Formica Investments Pty Ltd and Stevsand Investments Pty Ltd.
[3] These securities are held by Richmond Bridge Superannuation Pty Ltd ATF Richmond Bridge Super Fund.

16 Proceedings on Behalf of the Group

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

No proceedings have been brought or intervened in on behalf of the Company pursuant to section 236 with leave of the Court under section 237 of the Corporations Act 2001.

17 Non-Audit Services

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group against a liability incurred by the auditor. During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group. KPMG continues in office in accordance with the *Corporations Act 2001.*

No Director has been a partner in an audit firm or a director of an audit firm that is an auditor of the Group. There were no non-audit services provided by KPMG, the Group's auditor, during the year ended 30 June 2022.

18 Lead Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022 has been received and is included on page 16.

19 Remuneration Report – Audited

The Directors present the Remuneration Report for the Group for the year ended 30 June 2022. This Remuneration Report forms part of the Directors' Report in accordance with the requirements of the Corporations Act 2001 and its regulations.

19.1 <u>Principles used to determine the nature and amount of remuneration</u>

The remuneration policy of Echo IQ Limited and its controlled entities has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board of Echo IQ Limited and its controlled entities believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Group, as well as create goal congruence between Directors, Executives and shareholders.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel comprise the Directors of the Group.

Remuneration levels for key management personnel are competitively set to attract and retain appropriately qualified and experienced Directors and Executives. The Board may seek independent advice on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally and the objectives of the Group's remuneration strategy. The remuneration structures are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. Remuneration packages include a mix of fixed compensation, equity-based compensation, as well as employer contributions to superannuation funds. Options may only be issued to Directors subject to approval by shareholders in a general meeting. The Board has no established retirement or redundancy schemes.

The remuneration structure that has been adopted by the Group consists of the following components:

- Fixed remuneration being base fees as well as compulsory employer contributions to superannuation funds;
- Short term incentives and bonuses; and
- Long term incentives (as referred to below).

The relationship between the Company's remuneration principles and performance is based on the Company's market capitalisation value. The Company is working to develop and commercialise its software and products and does not currently generate positive earnings, and may not do so for some time. Accordingly, the Company considers that it is appropriate to link performance based remuneration to appreciation in its share price, with an increasing share price also increasing the value of shareholdings in the Company. The Group's earnings results and shareholders' returns for this reporting period and the previous four reporting periods, against which KMP remuneration and the Group's remuneration principles and policies can be discussed, are detailed below.

	FY18	FY19	FY20	FY21	FY22*
Revenue	14,635	824,530	679,872	983,183	904,092
Net loss after tax	(1,537,469)	(474,916)	(2,683,801)	(2,994,255)	(5,992,040)
Dividends	-	-	-	-	-
Share price changes (high and low)	$0.024 $0.013	$0.015 $0.015	$0.054 $0.011	$0.125 $0.029	$0.190 $0.098

** A portion of Revenue and Net loss after tax in FY21 and FY22 relate to discontinued operations which is further detailed in Note 8 to the Financial Statements.*

Compensation levels are reviewed annually by the Board through a process that considers individual and overall performance of the Group. In addition, external consultants may provide analysis and advice to ensure the Directors' and senior executives' compensation is competitive in the market place. During the period, no such remuneration consultant was used.

<u>Service contracts</u>

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of director.

The remuneration and other terms of employment for the Managing Director and the Executive Chairman are set out in formal service agreements as summarised below. The compensation for executive directors was determined by the Board having considered the Company's financial condition and the Board's knowledge of remuneration levels for executives with similar skills and experience in software businesses of comparable size and complexity.

Mr Andrew Grover

Mr Andrew Grover as Executive Chairman of the Group is remunerated on the following terms:

- Salary of $240,000 exclusive of superannuation and other statutory requirements effective 1 July 2022.
- Consulting fees review – Mr Grover's remuneration shall be reviewed by the Board acting as the Remuneration Committee and any change to his remuneration must be approved by the Board.
- Either party may terminate Mr Grover's employment on one months' notice, unless agreed otherwise.
- Mr Grover's employment may be terminated without notice due to serious misconduct.
- The following securities were issued separate to the terms of Mr Grover's agreement:
    - Securities – the following securities were issued to Mr Grover (or his nominee/s) for no consideration as part of his remuneration for the year ended 30 June 2022:
        - 15,000,000 Class A Director options exercisable at $0.25 on or before 17 December 2024. There are no vesting conditions associated with these options.

Mr Steve Formica

Mr Steve Formica as a Non-Executive Director of the Group is remunerated on the following terms:

- Salary of $66,000 per annum, exclusive of superannuation and other statutory requirements effective 1 July 2022.
- Either party may terminate Mr Formica's agreement on one months' notice, unless agreed otherwise.
- Mr Formica's employment may be terminated without notice due to serious misconduct.
- The following securities were issued separate to the terms of Mr Formica's agreement:
    - Securities – the following securities were issued to Mr Formica (or his nominee/s) for no consideration as part of his remuneration for the year ended 30 June 2022:
        - 10,000,000 Director options exercisable at $0.25 on or before 17 December 2024. There are no vesting conditions associated with these options.

Mr Stephen Picton

Mr Stephen Picton as a Non-Executive Director of the Group is remunerated on the following terms:

- Salary of $45,000 per annum, exclusive of superannuation and other statutory requirements effective 1 July 2022.
- Either party may terminate Mr Picton's agreement on one months' notice, unless agreed otherwise.
- Mr Picton's employment may be terminated without notice due to serious misconduct
- The following securities were issued separate to the terms of Mr Picton's agreement:
    - Securities – the following securities were issued to Mr Picton (or his nominee/s) for no consideration as part of his remuneration for the year ended 30 June 2022:
        - 2,000,000 unlisted options exercisable at $0.25 on or before 29 October 2024. The options are vest on 2 years' service as a Director of the Company.

<u>Performance linked compensation</u>

Short-term incentives

No short-term incentives in the form of cash bonuses were granted during the year.

Long-term incentives

The Board, from time to time, will grant incentive options with exercise prices above market share price and performance shares to executives. As such, incentive options and performance shares granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted, which value increase will also benefit other shareholders.

<u>Other</u>

No comments were made on the Group's 2021 remuneration report at the 2021 annual general meeting.

There were no loans made, guaranteed or secured by the Group with a Director, KMP or a close family member of a Director or KMP during the financial year or as at the date of this Remuneration Report.

There were no other Director or KMP transactions.

19.2 Directors' and Executive Officers Remuneration

Details of remuneration of Directors and Key Management Personnel of the Group are outlined below.

Name and title	Year	Short Term Benefits			Post Employment Benefits	Long Term Benefits	Equity settled share-based payments expense[4]			Termination	Total	Performance
		Salary $	STI $	Other $	Super $	Long Service Leave $	Options $	Ordinary shares $	Perf. Shares $	Payments $	Total $	Related $
Current Executive Directors												
Andrew Grover												
Executive Chairman	**2022**	**129,060**	**-**	**-**	**14,340**	**-**	**873,931**	**-**	**-**	**-**	**1,017,331**	**-**
	2021	120,000[5]	-	-	11,400	-	291,958	-	-	-	423,358	-
Current Non-Executive Directors												
Steven Formica												
Non-Executive Director	**2022**	**59,400**	**-**	**-**	**6,600**	**-**	**582,621**	**-**	**-**	**-**	**648,621**	**-**
	2021	45,666	-	-	4,338	-	291,958	-	-	-	341,962	-
Stephen Picton												
Non-Executive Director	**2022**	**20,877**	**-**	**-**	**2,088**	**-**	**42,428**	**-**	**-**	**-**	**65,393**	**-**
	2021	-	-	-	-	-	-	-	-	-	-	-
Former Executive Directors												
Elizabeth Whitelock (until 15 October 2021)												
Managing Director & CEO	**2022**	**54,658**	**-**	**-**	**5,466**	**-**	**-**	**-**	**-**	**93,342**[6]	**153,466**	**-**
	2021	171,154	-	14,150	16,260	2,893	291,958	-	-	-	496,141	-
Former Non-Executive Directors												
Antanas Guoga (from 25 February 2020 to 25 September 2020)												
Non-Executive Director	**2022**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2021	5,479	-	-	521	-	9,692	-	-	-	15,692	-
Total Current & Former KMP	**2022**	**263,995**	**-**	**-**	**28,494**	**-**	**1,498,980**	**-**	**-**	**93,342**	**1,884,811**	**-**
	2021	342,299	-	14,150	32,519	2,893	875,874	-	-	-	1,267,735	-

[4] The figures provided under the equity settled share based payments columns are based on accounting values and do not reflect actual payments received by KMP.

[5] Relates to remuneration accrued and subsequently settled in shares on 29 July 2020.

[6] Relates to the payout of annual leave and long service leave on the resignation of Elizabeth Whitelock

19.3 Equity Instruments

19.3.1 Share Options and Performance Shares Granted as Compensation

Details on rights and options over ordinary shares that were granted as compensation to key management personnel during the financial year are detailed in the tables below.

Share Options	Number granted during year	Grant date	Fair value at grant date	Exercise price per option	Expiry date	Number vested during year
Current Executive Directors						
Andrew Grover	15,000,000	29-11-21	$0.0584	$0.25	17-12-24	15,000,000
Current Non-Executive Directors						
Steven Formica	10,000,000	29-11-21	$0.0584	$0.25	17-12-24	10,000,000
Stephen Picton	2,000,000	29-10-21	$0.0636	$0.25	29-10-24	-

There are no vesting conditions associated with the options of Andrew Grover and Steven Formica. Options issued to Stephen Picton will vest on completion of 2 continuous years service as a Director of the Company.

19.3.2 Share Options

The following table sets out the details of the unlisted share option movements during the year ended 30 June 2022.

	Balance at start of year	Granted during year	Vested during year	Exercised during the year	Off-market transfers during year	Balance at end of year
Current Executive Directors						
Andrew Grover	11,000,000	15,000,000	15,000,000	5,000,000	3,750,000	24,750,000
Current Non-Executive Directors						
Steven Formica	13,000,000	10,000,000	10,000,000	5,000,000	750,000	18,750,000
Stephen Picton	-	2,000,000	-	-	-	2,000,000
Former Non-Executive Director						
Elizabeth Whitelock[7]	9,000,000	-	-	-	-	9,000,000

19.3.3 Performance Shares

The movement during the reporting period in the number of performance shares of the Company held directly, indirectly or beneficially, by each Director or key management personnel, including their personally related entities is as follows:

	Balance at start of year	Granted during year	Vested during year	Forfeited during year	Balance at end of year
Current Executive Directors					
Andrew Grover	5,000,000	-	5,000,000	-	-
Current Non-Executive Directors					
Steven Formica	-	-	-	-	-
Stephen Picton	-	-	-	-	-
Former Non-Executive Director					
Elizabeth Whitelock	5,000,000	-	2,500,000	-	2,500,000

Mr Grover and Ms Whitelock had 2,500,000 each of Class D and Class E performance shares.

- Class D performance shares convertible into shares if the Company's 30 trading day VWAP of shares traded on ASX is not less than $0.08 on or before 3 years after the date of issue.
- Class E performance shares convertible into shares if the Company's 30 trading day VWAP of shares traded on ASX is not less than $0.12 on or before 3 years after the date of issue.

7 For the part of the reporting period to her resignation in October 2021

19.4 Key Management Personnel Transactions

19.4.1 Movements in Shares

The movement during the reporting period in the number of ordinary shares of the Company held directly, indirectly or beneficially, by each Director or key management personnel, including their personally related entities is as follows:

	Balance at start of year	Granted as remuneration	Lapsed/ forfeited	Other changes	Balance at end of year
Current Executive Directors					
Andrew Grover	19,116,414	-	-	10,000,000	29,116,414
Current Non-Executive Directors					
Steven Formica	13,833,335	-	-	6,333,332	20,166,667
Stephen Picton	21,114,854	-	-	-	21,114,854
Former Non-Executive Director					
Elizabeth Whitelock [8]	4,515,602	-	-	2,500,000	7,015,602

19.4.2 Transactions With Key Management Personnel

There were no other Director and KMP transactions.

End of remuneration report.

8 For the part of the reporting period to her resignation in October 2021

20 Rounding of Amounts

The amounts in this report and the financial statements have been rounded to the nearest dollar, in accordance with *ASIC Corporations (Rounding of Financial/Directors' Reports) Instrument 2016/191*. Any discrepancies between totals and sums of components in tables and figures contained in this report are due to rounding.

This report is made on 30 September 2022 in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporation Act 2001, and is signed for and on behalf of the Directors.

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Andrew Grover
Executive Chairman

30 September 2022

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Echo IQ Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Echo IQ Limited for the financial year ended 30 June 2022 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Jeff Frazer
Partner

Gold Coast

30 September 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income
As at 30 June 2022

	Note	Consolidated 30 June 2022 $	Restated Consolidated 30 June 2021[9] $
Continuing Operations			
Revenue	7	251,103	441,983
Government grant and other income	9	40,542	346,596
Audit fees	10	(113,550)	(135,525)
Consulting and professional fees		(1,260,839)	(531,668)
Employee costs		(1,540,637)	(1,390,455)
Finance expenses	11	-	(1,632)
Directors' fees		(236,737)	(185,404)
Depreciation and amortisation		(640,206)	(270,102)
Other expenses		(280,603)	(80,295)
Share based payments expenses – Directors and consultants fees	22	(2,629,409)	(1,546,311)
Share of net profits/(losses) of equity accounted associates and joint ventures		-	198
Share registry and listing fees		(80,268)	(59,361)
Loss before tax		(6,490,604)	(3,411,976)
Income tax benefit/(expense)	14	-	-
Loss from continuing operations		(6,490,604)	(3,411,976)
Discontinued Operation			
Profit / (Loss) from discontinued operations	8	498,564	417,721
Profit/(Loss) for the period		(5,992,040)	(2,994,255)
Earnings per share			
Basic loss per share (cents)	12	(1.53)	(1.08)
Diluted loss per share (cents)	12	(1.53)	(1.08)
Earnings per share – continuing operations			
Basic loss per share (cents)	12	(1.65)	(1.21)
Diluted loss per share (cents)	12	(1.65)	(1.21)
Earnings per share – discontinued operations			
Basic earnings per share (cents)	12	0.12	0.13
Diluted earnings per share (cents)	12	0.12	0.13

The accompanying notes form part of these consolidated financial statements.

9 Refer to Note 8

	Note	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
ASSETS			
Current Assets			
Cash and cash equivalents	15	2,406,909	3,812,039
Trade and other receivables	16	318,186	467,750
Assets held for sale	8	495,888	-
Total Current Assets		3,220,983	4,279,789
Non-Current Assets			
Investments in associates and joint ventures		4,545	4,545
Plant and equipment	17	40,108	33,154
Right of use asset	25	-	-
Intangible assets and goodwill	18	6,966,441	6,615,268
Total Non-Current Assets		7,011,094	6,652,967
Total Assets		10,232,077	10,932,756
LIABILITIES			
Current Liabilities			
Trade and other payables	20	1,711,028	545,286
Lease liability	25	-	-
Employee benefits	13	53,968	199,957
Contract liabilities – unearned income	7	13,068	350,460
Liabilities held for sale	8	434,042	-
Total Current Liabilities		2,212,106	1,095,703
Non-Current Liabilities			
Lease liability	25	-	-
Employee benefits	13	-	1,451
Total Non-Current Liabilities		-	1,451
Total Liabilities		2,212,106	1,097,154
Net Assets		8,019,971	9,835,602
EQUITY			
Contributed equity	21	30,400,345	27,940,029
Reserves	22	5,334,971	3,618,878
Accumulated losses		(27,715,345)	(21,723,305)
Total Equity		8,019,971	9,835,602

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity
Year Ended 30 June 2022

	Note	Contributed Equity $	Share Based Payments Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2021		**27,940,029**	**3,618,878**	**(21,723,305)**	**9,835,602**
Equity issues	21	-	-	-	-
Options exercised	21, 22	2,246,316	(699,316)	-	1,547,000
Options lapsed	22	-	(73,213)	-	(73,213)
Share based payments	22	-	2,702,622	-	2,702,622
Performance shares issued	22	214,000	(214,000)	-	-
Loss for the period		-	-	(5,992,040)	(5,992,040)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(5,992,040)	(5,992,040)
Balance at 30 June 2022		**30,400,345**	**5,334,971**	**(27,715,345)**	**8,019,971**

	Note	Contributed Equity $	Share Based Payments Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2020		**20,356,670**	**1,496,602**	**(18,729,050)**	**3,124,222**
Equity issues	21	2,506,000	-	-	2,506,000
Capital raising costs	21	(153,781)	-	-	(153,781)
Options exercised	21	631,140	(193,140)	-	438,000
Share based payments	22	4,600,000	2,315,416	-	6,915,416
Loss for the period		-	-	(2,994,255)	(2,994,255)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(2,994,255)	(2,994,255)
Balance at 30 June 2021		**27,940,029**	**3,618,878**	**(21,723,305)**	**9,835,602**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows
Year Ended 30 June 2022

	Note	Group 30 June 2022 $	Group 30 June 2021 $
Cash flows from operating activities			
Receipts from customers		1,206,667	1,161,122
Payments to suppliers and employees		(3,827,739)	(2,847,536)
Interest paid		-	(1,632)
Receipts from grants & subsidies		36,275	256,790
Net cash from / (used in) operating activities	15	(2,584,797)	(1,431,256)
Cash flows from investing activities			
Purchase of plant and equipment and intangibles	17, 18	(367,333)	(1,002,560)
Net cash from / (used in) investing activities		(367,333)	(1,002,560)
Cash flows from financing activities			
Proceeds from equity issues	21	-	2,506,000
Payment for costs of equity issues	21	-	(153,781)
Proceeds from exercise of options		1,547,000	438,000
Repayment of lease liabilities		-	(21,468)
Net cash provided from / (used in) financing activities		1,547,000	2,768,751
Net increase/(decrease) in cash held		(1,405,130)	334,935
Cash and cash equivalents at beginning of the period		3,812,039	**3,477,104**
Cash and cash equivalents at period end	15	**2,406,909**	**3,812,039**

The accompanying notes form part of these consolidated financial statements.

1. Reporting Entity

The consolidated financial report covers Echo IQ Limited and its controlled entities ('the Group'). Echo IQ Limited is a listed public company limited by shares, incorporated and domiciled in Australia. In prior financial year, the principal activities of the Group were the development, marketing and commercialisation of software products and licences. With the sale of Prometheus Information Pty Limited the Group will be focussing principally on the Medical Technology sector. Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The financial report was authorised for issue by the Directors on 30 September 2022.

2. Basis of Accounting

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board and the *Corporations Act 2001*. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). Details of the Group's accounting policies are included in note 30.

Going concern

The financial statements have been prepared on a going concern basis which assumes continuity of normal business activities and realisation of assets and the settlement of liabilities in the ordinary course of business. The Group recorded a loss for the period ended 30 June 2022 of $5,992,040 (2021: loss of $2,994,255) and used $2,584,797 of cash in operations. Included in the loss for the period is a profit from discontinued operations of $498,564 (2021: $366,237 (restated)). As at 30 June 2022, the Group had cash and cash equivalents of $2,406,909 (30 June 2021: $3,812,039), net assets of $8,019,971 (30 June 2021: $9,835,602), and a net current asset position of $1,008,877 (30 June 2021: 3,184,086).

The Directors' have prepared cash flow projections for the period up to 30 September 2023 that support the Group's ability to continue as a going concern. These cash flows assume the Group will incur net operating cash outflows for the period up to 30 September 2023 as it continues to invest in the research, development, and commercialisation of its Echo IQ technology. Sufficient cash reserves are forecast to be maintained during the forecast period. These sufficient cash reserves are reliant on the Group maintaining expenditures in line with its cash flow forecasts and obtaining additional funding from alternative capital raisings, that are yet to be secured at the date of this report.

If such funding is not received, the Group plans to defer and if necessary, reduce planned capital expenditure until funding is obtained from alternative capital raisings, or additional funding is obtained from the exercise of options held by current and past employees, Director's, suppliers and investors which are due to expire within the period.

However, given the inherent uncertainty regarding the Group's ability to raise additional capital or control the exercise of the options, the above circumstances give rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern.

In the event that the Group does not obtain additional funding through the exercise of options or through other capital raising activities and/or reduce expenditure in line with available cash, the achievement of which is uncertain until secured or realised, it may not be able to continue its operations as a going concern and therefore may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

3. Functional and Presentation Currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

4. Use of Judgements and Estimates

The Directors make estimates and judgements during the preparation of these consolidated financial statements regarding assumptions about current and future events affecting transactions and balances. These judgments include the impact of the COVID-19 pandemic in determining the amounts recognised in the financial statements based on conditions existing at balance date, recognising uncertainty still exists in relation to the duration of the COVID-19 pandemic-related restrictions. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information becomes known, the actual results may differ from the estimates. The significant estimates and judgements made have been described below.

Key estimates: receivables
Allowance for expected credit losses on trade and other receivables.
The Group assesses the expected credit losses associated with its trade and other receivables on a forward looking basis. The Group applies the simplified approach to measuring expected credit losses, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade and other receivables that share similar credit risk characteristics and days past due are grouped and then assessed for collectability as a whole.

Key estimates: other

- Impairment assessment (see Note 18)
- Useful life of intangible assets (Note 18)
- Fair value of intangible assets acquired in prior years (see Note 19)
- Share based payments (see Note 22)

Key judgements
In addition to the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation of uncertainty applied to the consolidated financial statements, management has made significant judgements and estimates in relation to the following transactions that occurred during the period:

- Going concern (see Note 2)
- Revenue (see Note 7)
- Prior year acquisition of assets (see Note 19).

Measurement of fair values
A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Directors have overall responsibility for overseeing all significant fair value measurements, including level 3 fair values.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: input for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4. Use of Judgements and Estimates (continued)

Further information about the assumptions made in measuring fair values is included in the following notes:

- Share based payments (see Note 22)
- Prior year acquisition of assets (see Note 19).

5. Changes in Significant Accounting Policies

The Group applied Definition of a Business (Amendments to IFRS 3) to business combinations with acquisition dates on or after 1 July 2020 in assessing whether it had acquired a business or a group of assets. The details of the accounting policies are set out in Note 30. See also Note 19 for details of the Group's acquisition of a subsidiary in the prior year, which was accounted for as an asset acquisition.

6. Operating Segments

The Group is organised based on its products and services and has three reportable segments as follows:

- Houston We Have Software segment, which offers products and services across Defence and other sectors;
- Echo IQ segment, a business acquired on 31 May 2021, which is focused on developing artificial intelligence software that aids in predicting Aortic Stenosis heart condition; and
- Prometheus Information segment, which offers products and services across the Health Insurance sector and was classified as a discontinued operation in the year ended 30 June 2022 (see Note 8).

No operating segments have been aggregated to form the above reportable segments. Segment performance is reviewed based on operating profit or loss in the consolidated financial statements. However, Group corporate overhead costs that are not considered to be appropriate to allocate, are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Geographical locations

All revenue and operating assets are attributed to geographic location based on the location of customers, which are in Australia and the United Kingdom. The revenue and operating assets for the United Kingdom are included below in the Houston We Have operating segment and are not currently material to the Group.

	30 June 2022 $	30 June 2021 $
Operating revenue		
Houston We Have Software	251,103	441,983
Prometheus Information*	652,989	541,200
Echo IQ	-	-
Consolidated Group operating revenue	**904,092**	**983,183**
Segment profit/(loss) before tax		
Houston We Have Software	(751,569)	(429,021)
Prometheus Information*	420,131	205,810
Echo IQ	(884,426)	(68,404)
Unallocated	(4,776,176)	(2,702,640)
Consolidated Group profit/(loss) before tax	**(5,992,040)**	**(2,994,255)**
Segment net assets		
Houston We Have Software	706,051	852,984
Prometheus Information*	(130,654)	1,208,656
Echo IQ	3,815,958	5,199,007
Unallocated	3,628,616	2,574,955
Consolidated Group net assets	**8,019,971**	**9,835,602**

* Included in the Operating Segments is Prometheus which is a discontinued operation

	Consolidated 30 June 2022 $	Restated Consolidated 30 June 2021[10] $
7. Revenue		
a. Details of revenue		
Revenue from continued operations	251,103	411,983
Revenue from discontinued operations	652,989	541,201
	904,092	983,184

b. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	30 June 2022 $	Restated 30 June 2021[8] $
Receivables which are included in trade and other receivables	3,667	133,203
Contract assets	-	19,800
Unearned income relating to continuing operations	(13,068)	(12,733)
Unearned income relating to discontinued operations	(350,042)	(337,727)

The contract assets relate primarily to the Group's rights to consideration for work completed but not billed at reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities relate to the advance consideration received from customers for licenses or services for which revenue is recognised over time. All of the contract liabilities at 30 June 2022 are expected to be brought to account as revenue during the financial year ending 30 June 2023, except for unearned income relating to discontinued operations, which is held for sale at 30 June 2022 (see Note 8).

10 Refer to Note 8

7. Revenue (continued)

c. Disaggregation of revenue

The Group has reviewed its revenue streams and provides the following disaggregated information:

Performance obligation	Timing of revenue recognition	**30 June 2022** **$**	**Restated 30 June 2021[11]** **$**
Continuing operations			
Software updates, SaaS, technical environment and support services	Over time, over the term of the contracted service period	133,804	235,591
Training and consulting services	Over time, as and when services are performed	117,299	206,392
Software licenses as agent	Over time, over the term of the contracted service period	-	-
Sundry service revenue	Variable by agreement	-	-
		251,103	441,983
Discontinued operations			
Software updates, SaaS, technical environment and support services	Over time, over the term of the contracted service period	207,600	175,500
Training and consulting services	Over time, as and when services are performed	384,496	295,543
Software licenses as agent	Over time, over the term of the contracted service period	60,893	67,485
Sundry service revenue	Variable by agreement	-	2,673
		652,989	541,201
Total		904,092	983,184

d. Accounting policy

Under AASB 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control (i.e. at a point in time or over time) requires judgement.

The Group assessed its revenue streams and the above noted performance obligations and measurement methods have been identified and adopted in the preparation of these financial statements. The Group recognises contract assets in relation to the Group's right to consideration for work completed but not invoiced at the reporting date. Certain arrangements with customers require the customer to formally accept the product before an invoice can be raised.

The contract assets are transferred to receivables when the rights become unconditional. The timing of invoicing and payment is dependent on the specific terms and conditions of the underlying contract. However, invoices are typically payable within 30 days.

11 Refer to Note 8

8. Discontinued operation

On the 9 May 2022, Echo IQ Limited announced its entry into a Business Sale Agreement ("BSA") to dispose of the business and assets of its subsidiary, completion of this transaction occurred on 1 July 2022 and completion of the sale disclosed to the market on 4 July 2022.

As a result, in the financial year ending 30 June 2022, the Group has classified the assets and liabilities of the Prometheus subsidiary as Held for Sale in the Consolidated Statement of Financial Position and the net profit of the subsidiary as Discontinued Operations in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Financial information relating to discontinued operations is set out below.

a. Prior period restatement

The results of discontinued operations for the comparative year ended 30 June 2021 have been restated to include Prometheus Information.

The restated comparative period financial statement adjustments are summarised in the following table.

Consolidated statement of profit or loss and other comprehensive income	**30 June 2021 Report $**	**Discontinued operation adjustments $**	**30 June 2021 Restated**
Revenue	983,184	(541,201)	441,983
Other Revenue	346,596	-	346,596
Expense	(4,324,035)	123,480	(4,200,555)
Profit/(Loss) before income tax	**(2,994,255)**	**(417,721)**	**(3,411,976)**
Attributable tax expense	-	-	-
Profit for the year	**(2,994,255)**	**(417,721)**	**(3,411,976)**
Profit from discontinued operations	-	417,721	417,721
Profit / (Loss) Loss for the year	**(2,994,255)**	**-**	**(2,994,255)**

b. Assets and liabilities of disposal entity held for sale

At 30 June 2022, the disposal entity was stated at its carrying amount and comprised of the following assets and liabilities. Proceeds received on sale of the Business subsequent to year end were in excess of the net carrying value of assets and liabilities.

	Consolidated 30 June 2022 $
Trade and other receivables	73,721
Purchase settlement clearing	231,767
Intangibles	190,400
Assets held for sale	**495,888**
Trade and other payables	84,000
Unearned revenue	350,042
Liabilities held for sale	**434,042**

8. Discontinued operation (continued)

c. Results of discontinued operations

The Prometheus subsidiary was not previously classified as held for sale or as a discontinued operation. The comparative consolidated financial statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operation separately from continuing operations

The results of the discontinued operations, which have been included in the profit for the period,

	Consolidated 30 June 2022 $	Restated Consolidated 30 June 2021 $
Results of discontinued operations		
Revenue	652,989	541,201
Expenses	(154,425)	(123,480)
Results from operating activities	498,564	417,721
Income tax	-	-
Results from operating activities, net of tax	**498,564**	**417,721**

d. *Cash flows from (used in) discontinued operations*

During the year, net cash outflow from operating activities of the discontinued operation was $1,528,942 (2021: inflow of $799,555), net cash inflow from investing activities was $Nil (2021: Nil)

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
9. Government grant and other income		
Research and development grant income	5,462	58,993
Export market development grant income	35,080	30,813
Government grant income	-	256,592
Other income	-	198
	40,542	346,596
10. Auditors' Remuneration		
Audit of the financial statements	113,550	135,525
There were no other services provided by the auditors		
	113,550	135,525
11. Finance Costs		
Finance costs	-	1,632
	-	1,632

	Consolidated 30 June 2022 $	Restated Consolidated 30 June 2021[12] $
12. Loss Per Share		
Weighted average number of shares on issue	392,825,911	276,878,124
Loss per share – continuing operations (cents)	(1.65)	(1.21)
Earnings per share – discontinued operations (cents)	0.12	0.13
Loss per share (cents)	(1.53)	(1.08)

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
13. Employee Benefits		
Current		
Annual leave	49,702	125,309
Long service leave	4,266	74,648
	53,968	199,957
Non-Current		
Long service leave	-	1,451
	-	1,451

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
14. Income Tax		
A reconciliation between the income tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:		
Loss before tax	(5,992,040)	(2,994,255)
Statutory income tax rate for the Group at 25.0% (2021: 26.0%)	(1,498,010)	(778,506)
Tax effect of amounts which are not deductible /(taxable) in calculating taxable income:		
Share based payment expense	657,352	402,041
Non-deductible expenditure	10,847	66,752
Current year tax losses not recognised	989,891	400.895
Non-assessable income	-	(33,860)
Movement in unrecognised temporary differences	(117,343)	(12,876)
Deductible equity raising costs	(42,737)	(44,446)
Income tax expense reported in the statement of comprehensive income	-	-

The temporary deductible differences and tax losses do not expire under the current tax legislation. Deferred tax assets of $3,636,923 (2021: $1,623,387) have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits of the deferred tax asset.

12 Refer to Note 8

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
15. Cash and Cash Equivalents		
Cash at bank	2,406,810	3,811,940
Cash on hand	99	99
	2,406,909	3,812,039
Reconciliation of Cashflows from Operating Activities		
Loss before tax	(5,992,040)	(2,994,255)
Amortisation and depreciation	793,806	270,102
Impairment of ROU asset	-	-
Share based payments	2,629,409	1,546,311
Share of net profits of equity accounted associates	-	(198)
Change in trade and other receivables	(155,925)	(381,467)
Change in trade and other payables	273,292	82,107
Change in employee benefits	(145,989)	23,453
Change in contract liabilities	12,650	22,691
Net cash used in operating activities	(2,584,797)	(1,431,256)

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
16. Trade and Other Receivables		
Trade receivables	3,667	133,203
Contract assets	-	19,800
Government grant receivable	35,080	89,806
GST receivable	217,941	106,715
Other receivables	13,579	736
Prepayments	47,919	117,490
	318,186	467,750

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
17. Plant and Equipment		
Historical Cost		
Balance at beginning of period	81,390	78,830
Additions	42,333	2,560
Disposals	-	-
Balance at end of period	123,723	81,390
Accumulated Depreciation		
Balance at beginning of period	(48,236)	(16,449)
Depreciation	(35,379)	(31,787)
Disposals	-	-
Balance at end of period	(83,615)	(48,236)
Carrying Amounts		
Balance at beginning of period	33,154	62,381
Balance at end of period	40,108	33,154

During the period to 30 June 2022 the Group acquired computer equipment with a cost of $41,553 (2021: $2,560) and furniture $780 (2021: $Nil).

18. Intangibles and Goodwill

	Goodwill (i)	Intellectual property	Software	NEDA contractual asset	Total
Opening balance 2021					
Cost	139,200	196	470,510	-	**609,906**
Accumulated amortisation	-	(131)	(102,400)	-	**(102,531)**
Net book amount	139,200	65	368,110	-	**507,375**
Movement					
Additions/Acquired through business combination (ii)	-	-	1,055,292	5,258,046	**6,313,338**
Disposals	-	-	-	-	**-**
Amortisation	-	(65)	(183,012)	(22,368)	**(205,445)**
Closing net book amount	139,200	-	1,240,390	5,235,678	**6,615,268**
Closing balance 2021					
Cost	139,200	196	1,525,802	5,258,046	**6,923,244**
Accumulated amortisation	-	(196)	(285,412)	(22,368)	**(307,976)**
Net book amount	139,200	-	1,240,390	5,235,678	**6,615,268**
Opening balance 2022					
Cost	139,200	196	1,525,802	5,258,046	**6,923,244**
Accumulated amortisation	-	(196)	(285,412)	(22,368)	**(307,976)**
Net book amount	139,200	-	1,240,390	5,235,678	**6,615,268**
Movement					
Additions[13]	-	-	-	1,300,000	**1,300,000**
Reclassification of assets held for sale – cost	(139,200)	-	(460,800)	-	**(600,000)**
Reclassification of assets held for sale – Accumulated Amortisation	-	-	409,600	-	**409,600**
Disposals	-	-	-	-	**-**
Amortisation	-	-	(453,048)	(305,379)	**(758,427)**
Closing net book amount	-	-	736,142	6,230,299	**6,966,441**
Closing balance 2022					
Cost	-	196	1,065,002	6,558,046	**7,623,244**
Accumulated amortisation	-	(196)	(328,860)	(327,747)	**(656,803)**
Net book amount	-	-	736,142	6,230,299	**6,966,441**

(i) Goodwill relates to the acquisition to Prometheus Information Pty Ltd. Goodwill has been tested for impairment in prior years on a value-in-use as further detailed in impairment testing below. In the year ended 30 June 2022, goodwill and other intangible assets relating to Prometheus Information Pty Ltd has been transferred to assets held for sale at their carrying value and assessed for impairment as described in Note 8(b).

(ii) Relates to asset acquired from the acquisition of Echo IQ Pty Ltd during the prior year.

Impairment testing of goodwill

Goodwill acquired through the Prometheus Information Pty Ltd (**PIPL**) acquisition has been allocated to a cash generating unit (**CGU**) that is the PIPL operating segment.

In prior financial years, the recoverable amount of the CGU has been determined based on a value-in-use calculation using a combination of the forecast for the financial year ending 30 June 2022 and a growth rate increment for subsequent years. As a result of this analysis, no impairment was identified for the CGU to which goodwill was allocated.

13 Additions relates to the purchase of additional agreement with NEDA. $325,000 paid in the current year, with the remainder recognised in Trade and Other Payables

18. Intangibles and Goodwill (continued)

Assessment of intangible assets useful life

The useful life of the software has been assessed as 4 remaining years, and the useful life of the contractual intangible (being access to the National Echo Database of Australia (NEDA)) has been assessed as 16 remaining years which is in line with the remaining period of the current contract life (9 years) plus an option for its extension (7 years) at the discretion of Echo IQ Limited. The (NEDA) contractual asset useful life is based on a considered management judgement incorporating the following factors:

(i) the evolving nature of the database, which provides access to an increasing number of records over time; and
(ii) Expected additions to the number of institutions contributing to the database over time;
(iii) the critical and continuing role of echocardiographic measurement data in diagnosis of multiple cardiac conditions;
(iv) the importance of large cardiac datasets and exclusive access to the NEDA database for use in the development of ai-solutions and the company's product pipeline; and
(v) increasing prevalence of treatable conditions that supports the need for enhanced diagnostic tools.

19. Prior Year Acquisition of Assets

On 31 May 2021, the Group acquired 100% of the shares in Echo IQ Pty Ltd (Echo IQ). This was a strategic acquisition for the Group by providing access to the healthcare sector globally and is complementary to existing operations.

Included in the identifiable assets acquired at 31 May 2021 were inputs of software and a contractual intangible asset. The Group assessed the transaction to constitute an asset acquisition and therefore accounted for the transaction as such (rather than a business combination). Details of the acquisition are included as follows:

a. Consideration Transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred:

	Consideration $
Cash	1,000,000
Equity instruments (30,000,000 ordinary shares) (i)	3,000,000
	4,000,000

(i) The fair value of the ordinary shares issued was based on the listed share price of the Company on the completion date of the acquisition of assets of $0.10.

The Group agreed to pay the selling shareholders post completion milestone payments subject to the following conditions:

- $250,000 cash and 15 million HWH shares upon Echo IQ meeting US$5 million revenue hurdle within three years subject to execution of a commercial agreement with a leading artificial heart valve manufacturer; and
- $2,950,000 cash and 20 million HWH shares upon Echo IQ meeting a US$10 million revenue hurdle within three years.

19. Prior Year Acquisition of Assets (continued)

Due to the contingent consideration amount being conditional upon the certain revenue milestone outcomes, do not form part of the cost of the identified intangible assets. These payments will be expensed as and when the related revenue milestones are achieved. As at 30 June 2022, neither of the revenue milestones have been achieved.

b. Acquisition Costs

The group incurred acquisition costs of $2,313,338 relating to legal fees, due diligence costs and advisory fees. The advisory fees of $2,269,105 were equity-settled with shares and options. These amounts were capitalised into the cost of the assets acquired. The valuation of options issued was performed using the Binomial method. The key inputs to the valuation calculations are outlined in Note 22 for supplier options issued on 31 May 2021.

c. Identifiable assets acquired

The following table summarises the recognised amounts of assets acquired at the date of acquisition:

	Fair Value $
Software	1,055,292
Contractual intangible	5,258,046
Total net identifiable assets acquired	6,313,338

Measurement of fair values
The fair value of the software was determined using an estimated cost-to-replicate approach. The residual balance of the purchase consideration was allocated to the contract intangible.

Other information
The useful life of the software was assessed as 5 years, and the useful life of the contractual intangible was assessed as 17 years which is in line with term of the current contract plus an option for its extension. Refer to Note 18 for further details in determining the useful life of the intangible asset.

Transaction costs were allocated to the assets on a pro-rata basis under the guidance of AASB 138.

The acquisition accounting has been finalised and no changes to the initial acquisition accounting were made in the year ended 30 June 2022.

	Consolidated 30 June 2022 $	**Consolidated 30 June 2021 $**
20. Trade and Other Payables		
PAYG and superannuation payable	-	32,281
Sundry payables and accrued expenses	189,740	253,999
Other Payables[14]	1,281,533	-
Trade creditors	239,755	259,006
	1,711,028	545,286

14 $975,000 relates to payable to NEDA to extend the initial agreement for additional access to the database

	Consolidated 30 June 2022 No. of Ordinary Shares	$	Consolidated 30 June 2021 No. of Ordinary Shares	$
21. Contributed Equity				
At 1 July	380,707,713	27,940,029	257,757,713	20,356,670
Share issue: capital raising (i)	-	-	50,000,000	2,506,000
Share issue: acquisition of Echo IQ Pty Ltd (ii)	-	-	30,000,000	3,000,000
Share issue: corporate advisor shares (iii)	-	-	30,000,000	1,500,000
Executive Director shares issued (iv)	-	-	4,000,000	100,000
Exercise of options (v)	38,675,000	2,246,316	8,950,000	631,140
Share issue: Performance shares conversion (vi)	10,000,000	214,000	-	-
Capital raising costs (x)	-	-	-	(153,781)
Contributed equity at end of period	429,382,713	30,400,345	380,707,713	27,940,029

(i) In March and April 2021, the Consolidated Entity raised $2,506,000 for the placement of 50,000,000 fully paid ordinary shares to fund the acquisition and growth of Echo IQ Pty Ltd.

(ii) A component of consideration for the acquisition of Echo IQ Pty Ltd was 30,000,000 shares at $0.10 per share.

(iii) Corporate advisors for the acquisition of Echo IQ Pty Ltd received 30,000,000 shares at $0.05 per share.

(iv) In July 2020, 4,000,000 shares were issued to Mr Andrew Grover as payment for his director fees in relation to the prior financial year (as disclosed in the remuneration report).

(v) During the period 38,675,000 shares were issued after vested options were exercised (2021: 8,950,000)

(vi) On 6 July 2021 5,000,000 ordinary shares were issued pursuant to the conversion of class D performance shares. On 29 October 2021 5,000,000 ordinary shares were issued subsequent to the conversion of Class E performance shares.

(vii) There were no capital raising costs during the reporting period.

	Consolidated 30 June 2022 No.	Consolidated 30 June 2021 No.
21. Contributed Equity (continued)		
Performance shares		
Balance at beginning of period	10,000,000	11,500,000
Consolidation of capital	-	-
Conversion of performance shares (i)	(10,000,000)	-
Lapse of performance shares	-	(1,500,000)
Issue of performance shares (ii)	250,000	-
Balance at end of period	250,000	10,000,000

(i) On 6 July 2021 the 5,000,000 D performance shares converted to 5,000,000 fully paid ordinary shares (2,500,000 each to Andrew Grover and Elizabeth Whitelock) as the vesting milestones were achieved. On 29 October 2021 the 5,000,000 E performance shares converted to 5,000,000 fully paid ordinary shares (2,500,000 each to Andrew Grover and Elizabeth Whitelock) as the vesting milestones were achieved.

(ii) The performance shares that remain on issue as at 30 June 2022 are as follows:

a. 250,000 performance shares issued to the Chief Commercial Officer on appointment to their role with the Company. The performance shares convert to fully paid ordinary shares on achievement of 6 months continuous employment with the Company.

	Consolidated 30 June 2022 No.	Consolidated 30 June 2021 No.
Unlisted options		
Balance at beginning of period	198,050,000	87,000,000
Expiry of options	(9,000,000)	-
Consolidation of capital	-	-
Exercise of options	(48,675,000)	(8,950,000)
Options granted (note 22)	36,000,000	120,000,000
Balance at end of period	176,375,000	198,050,000

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
22. Reserves		
Share based payments reserve		
Balance at beginning of period	3,618,878	1,496,602
Options granted (i)	2,702,622	2,615,416
Options exercised	(699,316)	(193,140)
Options lapsed (ii)	(73,213)	-
Performance shares issued (iii)	(214,000)	-
Balance at end of period	5,334,971	3,618,878

(i) The fair value of options at grant date is determined using the Binomial Model. The inputs used in the measurement of the fair values at grant date of the options granted during the period are set out in the table below.

(ii) On 6 July 2021 1,500,000 options expired with the vesting criteria being unmet. The corresponding value of $73,213 was recognised as a reduction of share based payments expense.

(iii) On 6 July 2021 and 29 October 2021, the D Performance Shares and E performance Shares (respectively) were issued as the milestones were met. The corresponding $214,000 was taken to share capital.

Share option program

Options are granted under the Company's Incentive Option Scheme, and eligible participants can be employees, consultants or advisors. Options issued pursuant to the Scheme are issued free of charge. The ability for a participant to exercise the options is restricted in accordance with the terms and conditions detailed in the Incentive Option Scheme. The exercise period may also be affected by other events as detailed in the terms and conditions of the scheme. Each option entitles the holder to subscribe for and be allotted one share. Shares issued pursuant to the exercise of options, including bonus issues, and new issues, rank equally and carry the same rights and entitlements as other shares on issue.

Fair value share options

The fair value of options at grant date is determined using the Black-Scholes Model. The inputs used in the measurement of the fair values at grant date of the options granted during the period are set out in the table below.

Inputs	Class A Director Options	Class B Director Options	Class A Supplier & Employee Options	Class B Supplier & Employee Options	Employee Options
Number of options	9,000,000	9,000,000	26,000,000	26,000,000	2,000,000
Exercise price	$0.04	$0.08	$0.04	$0.08	$0.04
Expiry date	30-Jun-22	30-Jun-23	30-Jun-22	30-Jun-23	01-Nov-24
Grant date	30-Aug-19	30-Aug-19	03-Sep-19	03-Sep-19	31-Oct-19
Share price at grant date	$0.03	$0.03	$0.03	$0.03	$0.04
Risk free interest rate	0.67%	0.67%	0.70%	0.70%	0.88%
Volatility	100%	100%	100%	100%	121%
Expected life (years)	2.8	3.8	2.8	3.8	4.7
Option value	$0.0164	$0.0151	$0.0163	$0.0151	$0.043

22. Reserves (continued)

Fair value share options (continued)
Inputs

	Class A Director Options	Employee Options	Class B Director & Employee Options	Employee Options	Employee Options
Number of options	2,000,000	1,500,000	4,000,000	2,500,000	3,000,000
Exercise price	$0.04	$0.05	$0.08	$0.04	$0.08
Expiry date	30-Jun-22	30-Jun-22	30-Jun-23	30-Jun-22	30-Jun-23
Grant date	24-Feb-20	24-Feb-20	24-Feb-20	22-May-20	22-May-20
Share price at grant date	$0.03	$0.03	$0.03	$0.03	$0.03
Risk free interest rate	0.65%	0.65%	0.63%	0.26%	0.26%
Volatility	61%	61%	61%	113%	84%
Expected life (years)	2.3	2.3	3.3	2.1	3.1
Option value	$0.0077	$0.0060	$0.0050	$0.0158	$0.0096

Inputs	Class A Supplier Options	Class B Supplier Options	Class A Supplier Options	Class B Supplier Options	Class C Supplier Options
Number of options	2,000,000	2,000,000	5,000,000	10,000,000	10,000,000
Exercise price	$0.04	$0.08	$0.04	$0.06	$0.08
Expiry date	30-Jun-22	30-Jun-23	30-Jun-22	31-Dec-23	*
Grant date	13-Aug-20	13-Aug-20	27-Aug-20	27-Aug-20	27-Aug-20
Share price at grant date	$0.06	$0.06	$0.05	$0.05	$0.05
Risk free interest rate	0.27%	0.26%	0.25%	0.27%	*
Volatility	100%	83%	99%	82%	*
Option value	$0.0371	$0.0276	$0.0286	$0.0262	*

*These options will vest in the event there is a takeover offer before the expiry date. No value has been ascribed to these options based on probability assessments made at grant date.

	Supplier Options**	Employee Options	Class A Director Options	Class A Supplier Options	Class B Supplier Options	Class C Supplier Options
Number of options	30,000,000	2,500,000	15,000,000	8,000,000	8,000,000	12,000,000
Exercise price	$0.05	$0.05	$0.05	$0.10	$0.17	$0.25
Expiry date	30/05/2024	30/05/2024	30/05/2024	30/05/2024	30/05/2024	30/05/2024
Grant date	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021
Share price at grant date	$0.05	$0.10	$0.10	$0.10	$0.10	$0.10
Risk free interest rate	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%
Volatility	100%	100%	100%	100%	100%	100%
Expected life (years)	3	3	3	3	3	3
Early exercise factor	2.5x	2.5x	2.5x	n.a.	n.a.	n.a.
Option value	$0.0256	$0.0584	$0.0584	$0.0614	$0.0508	$0.0429

** These options were issued to an advisory firm, the accounting value of which has been capitalised into the assets acquired through Echo IQ as outlined in Note 19(b). These options were valued using an average share price for the duration of the provision of the introductory and arrangement services from the advisory firm.

22. Reserves (continued)

Inputs	Class D Supplier Options	Employee Options	Employee Options	Employee Options	Employee Options
Number of options	12,000,000	1,000,000	1,000,000	1,000,000	500,000
Exercise price	$0.30	$0.20	$0.30	$0.08	$0.12
Expiry date	30/05/2024	30/06/2023	30/06/2024	30/06/2023	30/06/2023
Grant date	31/05/2021	10/06/2021	10/06/2021	10/06/2021	10/06/2021
Share price at grant date	$0.10	$0.13	$0.13	$0.13	$0.13
Risk free interest rate	0.17%	-0.03%	0.14%	-0.03%	-0.03%
Volatility	100%	100%	100%	100%	100%
Expected life (years)	3	2	3	2	2
Option value	$0.0393	$0.0518	$0.0554	$0.0786	$0.0670

Inputs	Director Options	Director Options	Employee Options	Employee Options	Employee Options
Number of options	25,000,000	2,000,000	2,000,000	1,000,000	6,000,000
Exercise price	$0.25	$0.25	$0.25	$0.30	$0.25
Expiry date	28/11/2024	28/11/2024	09/06/2024	09/06/2024	03/02/2025
Grant date	29/11/2021	29/11/2021	12/10/2021	12/10/2021	03/02/2022
Share price at grant date	$0.145	$0.145	$0.165	$0.165	$0.145
Risk free interest rate	0.92%	0.92%	0.49%	0.49%	1.23%
Volatility	90%	90%	90%	90%	91%
Expected life (years)	3	3	3	3	3
Early exercised factor	2.5x	2.5x	n/a	n/a	2.5x
Option value	$0.0583	$0.0636	$0.0724	$0.0661	$0.0640

Fair value performance shares

The fair value of performance shares at grant date is determined using the Binomial valuation methodology. The inputs used in the measurement of the fair values at grant date and vesting dates of the performance shares issued during the period are set out in the table below.

Inputs	Performance Shares
Number of performance shares	250,000
Hurdle price	Nil
Expiry date	n/a
Grant date	2-Feb-22
Share price at grant date	$0.145
Risk free interest rate	1.23%
Volatility	91%
Performance share value	$0.145

22. Reserves (continued)

The terms and conditions of the options granted and on issue during the year were as follows.

	Grant Date	Expiry Date	Vesting Date	Exercise Price	Grant Date Fair Value	Granted/ on Issue	Exercised/ Cancelled	Balance at 30 June 22
Corporate Advisor Options (i)	4-04-19	4-04-22	4-04-19	$0.03	$38,000	2,000,000	(2,000,000)	-
Class A Director Options (i)	30-08-19	30-06-22	30-8-19	$0.04	$147,217	9,000,000	(9,000,000)	-
Class B Director Options (i)	30-08-19	30-08-23	30-8-19	$0.08	$135,876	9,000,000	-	9,000,000
Class A Supplier & Employee Options (i)	03-09-19	30-06-22	03-9-19	$0.04	$286,731	19,050,000	(19,050,000)	-
Class B Supplier & Employee Options (i)	03-09-19	30-06-23	03-9-19	$0.08	$391,913	26,000,000	(3,625,000)	22,375,000
Employee Options (ii)	31-10-19	01-11-24	31-7-20	$0.04	$70,460	2,000,000	(1,000,000)	1,000,000
Class A Director Options (iii)	24-02-20	30-06-22	24-2-21	$0.04	$15,499	2,000,000	(2,000,000)	-
Employee Options (iv)	24-02-20	30-06-22	24-2-20	$0.05	$8,971	1,500,000	(1,500,000)	-
Employee Options (v)	24-02-20	30-06-23	24-2-20	$0.08	$9,995	2,000,000	-	2,000,000
Class A Director Options (vi)	24-02-20	30-06-23	24-2-20	$0.08	$9,995	2,000,000	-	2,000,000
Employee Options (vii)	22-05-20	30-06-22	22-5-20	$0.04	$39,610	2,500,000	(2,500,000)	-
Employee Options (viii)	22-05-20	30-06-23	10-8-21	$0.08	$28,815	3,000,000	-	3,000,000
Class A Supplier & Employee Options (vii)	13-08-20	30-06-22	13-8-20	$0.04	$74,207	2,000,000	(2,000,000)	-
Class B Supplier & Employee Options (vii)	13-08-20	30-06-23	13-8-20	$0.08	$55,257	2,000,000	(2,000,000)	-
Class A Supplier & Employee Options (vii)	27-08-20	30-06-22	27-8-20	$0.04	$143,036	5,000,000	(5,000,000)	-
Class B Supplier & Employee Options (vii)	27-08-20	31-12-23	27-8-20	$0.06	$262,349	10,000,000	-	10,000,000
Supplier Options (vii)	31-05-21	31-05-24	31-5-21	$0.05	$769,105	30,000,000	-	30,000,000
Employee Options (ix)	31-05-21	31-05-24	30-5-24	$0.05	$145,979	2,500,000	-	2,500,000
Class A Director Options (vii)	31-05-21	31-05-24	31-5-21	$0.05	$875,873	15,000,000	-	15,000,000
Class A Supplier Options (x)	31-05-21	9-06-24	31-5-22	$0.10	$491,311	8,000,000	-	8,000,000
Class B Supplier Options (xi)	31-05-21	9-06-24	30-11-22	$0.17	$304,804	8,000,000	-	8,000,000
Class C Supplier Options (xii)	31-05-21	9-06-24	31-5-23	$0.25	$193,207	12,000,000	-	12,000,000
Class D Supplier Options (xii)	31-05-21	9-06-24	31-5-23	$0.30	$117,756	12,000,000	-	12,000,000
Employee Options (xiii)	10-06-21	30-06-23	31-12-22	$0.20	$51,791	1,000,000	-	1,000,000
Employee Options (xiii)	10-06-21	30-06-24	31-12-23	$0.30	$41,534	1,000,000	-	1,000,000

22. Reserves (continued)

	Grant Date	Expiry Date	Vesting Date	Exercise Price	Grant Date Fair Value	Granted/ on Issue	Exercised/ Cancelled	Balance at 30 June 22
Employee Options (xiii)	10-06-21	30-06-23	05-05-22	$0.08	$78,570	1,000,000	-	1,000,000
Employee Options (xiii)	10-06-21	30-06-23	05-05-23	$0.12	$25,129	500,000	-	500,000
Employee Options (xiv)	12-10-21	09-06-24	12-10-23	$0.25	$144,785	2,000,000	-	2,000,000
Employee Options (xiv)	12-10-21	09-06-24	12-10-23	$0.30	$66,119	1,000,000	-	1,000,000
Director Options (xiv)	29-11-21	29-10-24	29-11-23	$0.25	$127,283	2,000,000	-	2,000,000
Director Options (xv)	29-11-21	17-12-24	29-11-21	$0.25	$1,456,552	25,000,000	-	25,000,000
Employee Options (xvi)	3-2-22	3-2-25	3-2-24	$0.25	$320,000	5,000,000	-	5,000,000
Employee Options (xvii)	3-2-22	3-2-25	3-2-24	$0.25	$64,000	1,000,000	-	1,000,000
	Total grant date fair value of options on issue at 30 June 2022		$4,813,809					

- (i) Vested immediately on grant date
- (ii) These options vest over a 9 month period from grant date to 31 July 2020 on the condition that continued employment is satisfied from grant date to 31 July 2020.
- (iii) These options vest over a 12 month period from grant date to 24 February 2021.
- (iv) These options vest immediately but have a voluntary escrow period of 18 months from grant date.
- (v) These options vest immediately but have a voluntary escrow period of 36 months from grant date.
- (vi) These options vest over a 12 month period from grant date to 24 February 2021.
- (vii) These options vest immediately.
- (viii) These options vest on 10 August 2021.
- (ix) These options vest over a 3 year period (40% after 12 months, 40% after 24 months, balance after 36 months).
- (x) These options vest after a 12 month period and have a service condition for continuous employment during the vesting period. There is also a non-market performance condition to achieve a successful clinical trial with a valve manufacturer.
- (xi) These options vest after an 18 month period and have a service condition for continuous employment during the vesting period. There is also a non-market performance condition to achieve a successful clinical trial with a drug manufacturer.
- (xii) These options vest after a 24 month period and have a service condition for continuous employment during the vesting period. There are also non-market performance conditions to achieve set revenue targets for Echo IQ of USD $2m and USD $3m.
- (xiii) These options vest on the dates specified in the table and have a service condition.
- (xiv) These options vest after a 24 month period and have a service condition for continuous service during the vesting period.
- (xv) These options vest immediately.
- (xvi) These options vest over a 24 month period subject to continuous employment, sales targets and VWAP achievements.
- (xvii) These options vest upon 24 months of continuous employment with the Company.

Share Based Payment Expense

During the year, share based payment expenses of $2,593,159 (2021: $1,546,311) in relation to options issued and $36,250 (2021: $nil) in relation to performance shares issued was recorded in profit and loss.

23. Financial Instruments & Risk Management

Financial risk management objectives and policies

The Group's financial instruments comprise deposits with banks, receivables, other deposits, trade and other payables, convertible notes and from time to time short term loans from related parties. The Group does not trade in derivatives or in foreign currency. The Group manages its risk exposure of its financial instruments in accordance with the guidance of the audit and risk management committee and the Board of Directors. The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. This note presents information about the Group's exposure to each of these risks, its objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the risk management framework. Informal risk management policies are established to identify and analyse the risks faced by the Group. The primary responsibility to monitor the financial risks lies with the CEO and the Company Secretary under the authority of the Board.

Credit risk

Credit risk arises mainly from the risk of counterparties defaulting on the terms of their agreements. The carrying amounts of the following assets represent the Group's maximum exposure to credit risk in relation to financial assets. The Group mitigates credit risk on cash and cash equivalents by dealing with regulated banks in Australia. Credit risk of trade and other receivables is low as it usually consists predominantly of amounts recoverable from taxation, other government authorities and health insurance funds in Australia. All amounts receivable as at 30 June 2022 were received after reporting date.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Ultimate responsibility for liquidity management rests with the Board. The Group monitors rolling forecasts of liquidity on the basis of expected fund raisings, trade payables and other obligations for the ongoing operation of the Group. The following are the contractual maturities of financial liabilities, including estimated interest payments:

	Carrying Amount $	Contractual Cashflows $	< 1 Year $	1 – 5 Years $	Interest $
30 June 2022					
Trade & other payables	(1,711,028)	(1,711,028)	(1,711,028)	-	-
Total	(1,711,028)	(1,711,028)	(1,711,028)		-
30 June 2021					
Trade & other payables	(545,286)	(545,286)	(545,286)	-	-
Total	(545,286)	(545,286)	(545,286)	-	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

23. Financial Instruments & Risk Management (continued)

Market risks
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimising the return.

Interest rate risk
The Group's income statement is affected by changes in interest rates due to the impact of such changes on interest income from cash and cash equivalents and interest-bearing security deposits. A change of 100 basis points in interest rates throughout the reporting period would not have increased (decreased) profit or loss by a significant amount. The Group did not have any variable interest rate financial liabilities in the current or prior year. The Group does not have interest rate swap contracts. The Group always analyses its interest rate exposure when considering the renewals of existing positions including alternative financing.

Currency risk
The Group is exposed to transactional foreign currency risk to the extent there is a mismatch between currencies in which sales, purchases, receivables and payables are denominated and the respective functional currencies of the Group companies. The functional currencies of the Group are Australian Dollars (AUD) and Pounds Sterling (GBP). The Group did not designate any net positions in a hedging relationship on the basis of limited transaction value and low risk.

Capital management
The Board's policy is to maintain a strong capital base, where possible, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group is not subject to externally imposed capital requirements.

Estimation of fair values
The carrying amounts of financial assets and liabilities approximate their net fair values, given the short time frames to maturity and or variable interest rates.

24. Interests in Controlled Entities

Company Name	Place of Incorporation	% Ownership 30 June 2022	% Ownership 30 June 2021
HWH Software Pty Ltd	Australia	100%	100%
Prometheus Information Pty Limited	Australia	100%	100%
Houston We Have Limited (UK)	United Kingdom	100%	100%
Echo IQ Pty Ltd	Australia	100%	100%
Data Distillery Pty Ltd	Australia	50%	50%
Niquaero LLC	Mongolia	100%	100%

25. Leases

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
a. Right of use assets		
Opening balance	-	12,429
Additions during the year	-	-
Depreciation	-	(12,429)
	-	-
b. Lease liabilities		
Current	-	-
Non-current	-	-
	-	-

(i) In the prior year the right of use asset was impaired by an amount that represented 12 months of lease payments at a rent-reduced amount based subsequent to a decision to no longer make use of the premises. The lease agreement was due to end in January 2022, but the Group was released from the agreement effective as at 30 June 2021.

The Group has a month-to-month lease arrangement of $5,000 in place for office premises. It has no other leases of short term or low value assets.

26. Commitments and Contingencies

a. Contingent assets
There are no contingent assets as at 30 June 2022.

b. Contingent liabilities
In relation to the acquisition of Echo IQ (see Note 19), there is a contingent consideration amount being conditional upon the certain revenue milestone outcomes. The value of this does not form part of the cost of the identified intangible assets. These payments will be expensed as and when the related revenue milestones are achieved. There are no other contingent liabilities as at 30 June 2022.

27. Related party transactions

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
KMP compensation		
Short term employee benefits	263,995	356,449
Post employment benefits	28,494	32,519
Long term benefits	-	2,893
Shared based payments	1,498,980	875,874
Termination payments	93,342	-
Total	1,884,811	1,267,735

KMP compensation
Detailed remuneration disclosures are provided in the remuneration report included in the Directors' Report.

Transactions with related parties
Other than KMP compensation, there were no transactions with related parties during the reporting year.

27. Related party transactions (continued)

Outstanding balances arising from sales/purchases of goods and services
There are no outstanding balances arising from sales/purchases of goods and services at the end of the reporting year.

Loan to Directors and their related parties
No loans have been made to any Director or any of their related parties, during the reporting year.

28. Events after the end of the reporting year

The sale of Prometheus Information Pty Limited, for the final consideration of $639,620 was completed on 1 July 2022. As at 30 June 2022, there were $495,888 and $434,042 recorded as assets held for sale and liabilities held for sale, respectively, in the Consolidated Statement of Financial Position. Additionally, operations relating to Prometheus Information Pty Limited were presented separately as a discontinued operation in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The disposal of this business unit supports the Group's stated intention to focus on the medical technology sector.

Other than the matters described above, there has not been any other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

29. Parent Entity

	Consolidated 30 June 2022 $	Consolidated 30 June 2021 $
Statement of financial position		
Assets		
Total current assets	1,746,091	1,367,694
Total non-current assets	10,863,262	9,560,516
Total assets	**12,609,353**	**10,928,210**
Liabilities		
Total current liabilities	503,522	309,829
Total non-current liabilities	-	-
Total liabilities	**503,522**	**309,829**
Net assets/(deficiency)	**12,105,831**	**10,618,381**
Equity		
Contributed equity	30,400,345	27,940,029
Reserves	5,334,971	3,618,878
Accumulated losses	(23,629,485)	(20,940,526)
Total equity	**12,105,831**	**10,618,381**
Statement of profit or loss and other comprehensive income		
Loss for the year	(2,688,959)	(2,967,212)
Total comprehensive income	**(2,688,959)**	**(2,967,212)**

30. Significant Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

(a) Basis of consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. When the Group loses control over a Subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-Controlling Interest (NCI) and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the Group have been eliminated in full for the purpose of these financial statements. Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the Group. All controlled entities have a June financial year end. A list of controlled entities is contained in Note 24 to the financial statements.

i. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to or has rights to variable returns from its involvement with the entity and can affect those returns through its power to direct the relevant activities of the entity.

ii. Interests in equity accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than the rights to its assets and obligations for its liabilities. Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit and loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

iii. Business combinations

Business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity. The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date. Goodwill or a gain on bargain purchase may arise on the acquisition date, this is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the net assets acquired, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets are reassessed and then a gain from bargain purchase recognised in profit or loss. All acquisition-related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities. Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date.

iv. Discontinued operation

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

30. Significant Accounting Policies (continued)

(a) Basis of consolidation (continued)

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

If the contingent consideration is classified as equity, then it is not remeasured, and the settlement is accounted for within equity. Otherwise, subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at reporting date. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

(c) Revenue from contracts with customers

Information about the Group's accounting policies relating to contracts with customers is provided in Note 7.

(d) Employee benefits

i. <u>Short term employee benefits</u>

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be readily estimated.

ii. <u>Share based payment arrangements</u>

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The fair value of the performance shares is ascertained using a Monte-Carlo simulation model. The amount to be expensed is determined by reference to the fair value of the options or shares granted, this expense takes in account any market performance conditions and the impact of any non-vesting conditions but ignores the effect of any service and non- market performance vesting conditions. Non-market vesting conditions are taken into account when considering the number of options expected to vest. At the end of each reporting period, the Group revises its estimate of the number of options which are expected to vest based on the non- market vesting conditions. Revisions to the prior period estimate are recognised in profit or loss and equity.

30. Significant Accounting Policies (continued)

iii. Other long term benefits
Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(e) Finance income and finance costs

Interest income
Interest revenue is recognised using the effective interest rate method which, for floating rate financial assets, is the rate inherent in the instrument.

Finance costs
Finance cost includes all interest-related expenses, interest expense is recognised using the effective interest rate method.

Borrowing costs
Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(f) Income tax

Income tax
The tax expense recognised in the consolidated statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense. Current tax is the amount of income taxes payable/(recoverable) in respect of the taxable profit/(loss) for the year and is measured at the amount expected to be paid to/(recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority. Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements. Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised. Management has assessed that this will probable when the business reaches a net taxable income position. Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

30. Significant Accounting Policies (continued)

(f) Income tax (continued)

Goods and services and sales tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the consolidated statement of financial position. Cash flows in the consolidated statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Depreciation of leasehold improvements is calculated over the shorter of the life of the lease or the estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

	Useful Life	Method
Computer software/equipment	2 to 5 years	Straight-line method

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

(h) Intangible assets and goodwill

i. Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at fair value as at the date of acquisition.

Research and Development costs

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Goodwill is measured at cost, and is tested for impairment annually. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

30. Significant Accounting Policies (continued)

(h) Intangible assets and goodwill (continued)

Other Intangible Assets
Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less any accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation
The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss as the expense category that is consistent with the function of the intangible assets.

Amortisation is calculated over the estimated useful life of the asset as follows:

	Useful Life
Development costs	2 to 5 years
Computer software	2 to 5 years
Contract intangible assets	17 years
Goodwill	Indefinite

Impairment
At each reporting date management reviews the carrying amounts of its non-financial assets included in the scope of AASB 136 to determine whether there is any indication of impairment. If any such indication exists than the assets recoverable amount is estimated.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised.

The recoverable amount of the asset or CGU is the greater of its value in use or fair value less costs of disposal. Value in use is based on estimated future cash flows discounted to their present value using a post-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment expense is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For any other assets, an impairment loss is only reversed to the extent the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

30. Significant Accounting Policies (continued)

(i) Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets**.**

Financial assets
Debt instruments that meet the following conditions are measured subsequently at amortised cost:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect
- contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:
- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

30. Significant Accounting Policies (continued)

Amortised cost and the effective interest rate method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired (see below). For financial assets that have subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit impaired financial assets, the Group recognises interest income by applying the credit adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

Interest income is recognised in profit or loss and is included in the " interest received" line item.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. the Group has not designated any debt instruments as at FVTPL.

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

30. Significant Accounting Policies (continued)

The Group always recognises lifetime estimated credit losses (“ECL”) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Financial liabilities and equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:
- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short term profit taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group’s documented risk management or investment strategy, and information about the Group is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

30. Significant Accounting Policies (continued)

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated as at FVTPL are recognised in profit or loss.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(j) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

(k) Impairment

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGU).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

30. Significant Accounting Policies (continued)

(l) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

(m) Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease Liability
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate of 7.25% as advised by its bankers from time to time.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Right of use asset
The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in statement of financial position.

(n) Government grants

When the Company receives government grants it performs an assessment to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. In the cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied.

Directors' Declaration

The Directors of the Echo IQ Limited (the Group) declare that:

1. The consolidated financial statements and notes that are set out on pages 17 to 55 and the remuneration report set out on pages 9 to 14 in the Directors' report are in accordance with the *Corporations Act 2001*, including:
    a. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
    b. complying with Australian Accounting Standards and the Corporations 2001; and
    c. in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations required by section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2022.

3. The Directors draw attention to Note 1 in the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors.

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Andrew Grover
Executive Chairman

30 September 2022

Independent Auditor's Report

To the shareholders of Echo IQ Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Echo IQ Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- 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
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2022
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 fulfilled our other ethical responsibilities in accordance with the Code.

KPMG

Material uncertainty related to going concern

We draw attention to Note 2, "Going Concern" in the financial report. The conditions disclosed in Note 2, indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

In concluding there is a material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt in the Group's assessment of going concern. This included:

- Analysing the cash flow projections by:
  - Evaluating the underlying data used to generate the projections for consistency with other information tested by us, our understanding of the Group's intentions, and past results and practices;
  - Assessing the planned levels of operating and capital expenditures for consistency of relationships and trends to the Group's historical results, results since year end, and our understanding of the business, industry and economic conditions of the Group;
- Assessing significant non-routine forecast cash inflows and outflows, including the expected impact of planned capital raisings for feasibility, quantum and timing. We used our knowledge of the client, its industry and current status of those initiatives to assess the level of associated uncertainty.
- Reading minutes of Directors' meetings and relevant correspondence with the Group's advisors to understand the Group's ability to raise additional shareholder funds, and assessed the level of associated uncertainty;
- Evaluating the Group's going concern disclosures in the financial report by comparing them to our understanding of the matter, the events or conditions incorporated into the cash flow projections assessment, the Group's plans to address those events or conditions, and accounting standard requirements. We specifically focused on the principle matters giving rise to the material uncertainty.

Key Audit Matters

In addition to the matter described in the *Material uncertainty relating to going concern section,* we have determined the matters described below to be the ***Key Audit Matters***:

- Revenue recognition;
- Valuation of intangible assets.

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.

KPMG

Revenue recognition of provision of software and software related services ($904,092)

Refer to Note 7 to the Financial Report

The key audit matter

Revenue from the provision of software and software related services is a key audit matter due to the significant audit effort we have applied in assessing the Group's recognition and measurement of revenue.

This was driven from the:

- Multiple revenue types with different recognition criteria across varying products and services. This increases the possibility of the Group inappropriately identifying performance obligations and incorrectly recognising revenue using AASB 15 *Revenue from Contracts with Customers* ('AASB 15').
- Opportunity for manual intervention, complexity of underlying contractual terms and conditions and potential interpretational differences in accounting outcomes presenting conditions for transactions to be recorded incorrectly.

We involved senior audit team members in addressing this key audit matter.

How the matter was addressed in our audit

Our procedures included:

- Evaluating the Group's accounting policies for revenue recognition for each significant revenue stream against the requirements of AASB 15 and our understanding of the business.
- Reading a sample of customer contracts to understand the key terms of the arrangements.
- Comparing the relevant features of a sample of customer contracts to the recognition criteria, the Group's accounting policies and identified performance obligations (and compliance with AASB 15).
- Checking the timing of revenue recognised by the Group for the provision of software and software related services to underlying documentation and against the Group's accounting policies.
- We tested the amount of revenue recognised by the Group by using statistical sampling for certain revenue types and agreeing a sample of transactions to underlying documentation, such as signed revenue contracts and/or proof of acceptance from the customer. This included checking how the Group allocated revenue to separately identified performance obligations and assessing the recognition against the criteria per AASB 15. We also checked customer receipts to the Group's bank statements.
- Evaluating the adequacy of the disclosures made in note 7 in light of the requirements by Australian Accounting Standards.

Valuation of intangible assets ($6,966,442)

Refer to Note 18 to the Financial Report

The key audit matter

In FY21 the Group acquired the assets of Echo IQ Pty Ltd. These assets included software and a contractual intangible asset.

Intangible assets were considered a key audit matter due to the:

- Size of the balance, having a significant impact on the Group's financial statements;
- The greater level of audit effort required to evaluate the Group's assessment and application of the accounting standards AASB 138 *Intangible Assets* and AASB 136 *Impairment of Assets*; and
- Inherent judgement in assessing the factors considered in determining the useful life of the contractual intangible asset and the presence of impairment indicators. The presence of impairment indicators would necessitate a detailed analysis by the Group of the value of the intangible assets, therefore given the criticality of this to the scope and depth of our work, we involved senior team members to challenge the Group's determination that no such indicators existed.

In assessing the factors outlined by management used in determining the useful life of the contractual intangible asset, we focused on:

- Indicators of asset obsolescence, status of patents relating to the underlying product in development and the competitive landscape of the industry that the Group operates in;
- Status of regulatory approvals associated with the intended commercialisation of the asset;
- Stability of the industry that the asset operates in, and whether there are any negative indicators regarding the long-term future of such an industry; and
- The expected usage of the asset by the Group, and the typical lifecycle is of similar assets within the industry.

How the matter was addressed in our audit

Our procedures included:

- We tested the Group's additions to Intangible Assets for the year by testing the entirety of the population back to invoices from third parties and signed agreements;
- For the above additions, checking the nature of the expenditure for consistency with its classification as an intangible asset in accordance with the Group's accounting policy and the requirements of the accounting standard;
- Evaluating the Group's accounting policy in determining the useful life of intangible assets under AASB 138 *Intangible Assets*;
- We obtained managements position paper on the determination of the useful life of intangible assets and assessed this against the relevant accounting standards. To support the position paper we sighted key documents and agreements, and corroborated our understanding through interviews with key management personnel;
- Evaluating Group documents, such as minutes of Directors meetings and the Group's cash flow projects, for consistency with their stated strategic intentions and intended use of the intangible asset;
- We corroborated the status of patents relating to the underlying product, the status of FDA approvals associated with the intended commercialisation of the asset through interviews with key personnel and third party documentation;
- We assessed the ability of the Group to fund the continued development of the Echo IQ platform, which is also considered in the *Material Uncertainty Regarding Going Concern* section; and

Valuation of intangible assets ($6,966,442) (continued)	
The key audit matter (continued)	**How the matter was addressed in our audit (continued)**
In assessing the presence of impairment indicators, we focused on those that may draw into question the commercialization of the Echo IQ products in development and therefore intended use of the contractual intangible asset. We paid particular attention to: • Progress made with the development of the Echo IQ software over the past twelve months since completion of the asset acquisition; • The status of legal and regulatory requirements required in order to commercialise the product, specifically the FDA approval process associated with use of the product in the Group's key target segments; and • The ability of the Group to fund the continued development of the Echo IQ software prior to commercialisation and revenue generation.	• We assessed the adequacy of disclosures in the financial report using our understanding and against the requirements of Australian Accounting Standards.

Other Information

Other Information is financial and non-financial information in Echo IQ Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

KPMG

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the 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 at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf.This description forms part of our Auditor's Report.

KPMG

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Echo IQ Limited for the year ended 30 June 2022, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 9 to 14 of the Directors' report for the year ended 30 June 2022.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Jeff Frazer
Partner

Gold Coast
30 September 2022

Corporate Governance Statement

The Board is committed to achieving and demonstrating high standards of corporate governance. The Board has implemented corporate governance policies and practices which it considers appropriate for the scale and maturity of the Group's business and operations.

The Group has reviewed its corporate governance practices against the 'Corporate Governance Principles and Recommendations (4th Edition)' published by the ASX Corporate Governance Council.

The Group's Corporate Governance Statement for the financial year ended 30 June 2022 has been approved by the Board and is dated 30 September 2022. The Group's Corporate Governance Statement and Corporate Governance Plan are both available on the Group's website at https://www.echoiq.ai/investor-centre/#governance.

Additional ASX Information

The Group sets out below additional information required by ASX Listing Rule 4.10 and not disclosed elsewhere in this report, along with information required to be disclosed as a condition of ASX Listing Rule waivers and confirmations given to the Group by ASX. This information is current as at 21 September 2022.

Substantial Shareholders

Shareholder	Number of Shares
A22 Pty Ltd	29,116,414
Neweconomy Com Au Nominees Pty Limited <900 Account>	24,983,622
Alerte Digital Health Pte Ltd	23,636,363

Top 20 Shareholders

Details of the 20 largest holdings of quoted fully paid ordinary shares are set out below.

Rank	Shareholder	Number of Shares	%
1	A22 Pty Ltd	29,116,414	6.76
2	Neweconomy Com Au Nominees Pty Limited <900 Account>	24,983,622	5.80
3	Alerte Digital Health Pte Ltd	23,636,363	5.49
4	Richmond Bridge Superannuation Pty Ltd <Richmond Bridge Super A/C>	21,114,854	4.90
5	Stevsand Investments Pty Ltd <Steven Formica Family A/C>	17,000,000	3.95
6	Bellcoo Investments Pty Ltd <The Northlake S/F A/C>	13,583,099	3.15
7	Taurus Capital Group Pty Ltd	12,500,000	2.90
8	Ms Elizabeth Whitelock	11,515,602	2.67
9	Arredo Pty Ltd	11,000,000	2.55
10	Shah Nominees Pty Ltd	10,060,162	2.34
11	Mr Brian Joseph Glynn	8,610,000	2.00
12	Shriver Nominees Pty Ltd	7,300,000	1.69
13	Mr Gregory Peter Wilson	6,200,000	1.44
14	Get Staffed Perth Pty Ltd <Gosaavi Family A/C>	6,000,000	1.39
14	Mikado Corporation Pty Ltd <JFC Superannuation A/C>	6,000,000	1.39
16	Lake Springs Pty Ltd <The Lake Springs S/F A/C>	5,900,000	1.37
17	Gratitude and Unconditional Forgiveness Pty Ltd	5,550,000	1.29
18	King Corporate Pty Ltd	5,050,000	1.17
19	Shah Nominees Pty Ltd <Louis Carsten Super Fund A/C>	5,000,000	1.16
20	Club Gubb Pty Ltd <AEG Super A/C>	4,895,216	1.14
	Total Largest Holders	**235,015,332**	**54.57**
	Other Holders	**195,679,881**	**45.43**
	Total	**430,695,213**	**100.00**

Additional ASX Information

Number and Distribution of Holders

	Fully Paid Ordinary Shares And % of shares held	Options ($0.20, 30/6/2023) And % of securities held	Options ($0.30, 30/6/2024) And % of securities held	Options ($0.25, 29/10/2024) And % of securities held	Options ($0.04, 1/11/2024) And % of securities held	Options ($0.25, 17/12/2024) And % of securities held	Options ($0.30, 9/6/2024) And % of securities held
1 – 1,000	124 (0.02%)	0	0	0	0	0	0
1,001 – 5,000	190 (0.14%)	0	0	0	0	0	0
5,001 – 10,000	154 (0.28%)	0	0	0	0	0	0
10,001 – 100,000	455 (4.25%)	0	0	0	0	0	0
100,001 and over	289 (95.31%)	1 (100%)	1 (100%)	1 (100%)	1 (100%)	2 (100%)	3 (100%)
Total	**1,212**	**1**	**1**	**1**	**1**	**2**	**3**

	Options ($0.10, 9/6/2024) And % of securities held	Options ($0.25, 9/6/2024) And % of securities held	Options ($0.12, 30/6/2023) And % of securities held	Options ($0.25, 2/2/2025) And % of securities held	Options ($0.05, 31/5/2024) And % of securities held	Options ($0.17, 9/6/2024) And % of securities held	Options ($0.08, 30/6/2023) And % of securities held
1 – 1,000	0	0	0	0	0	0	0
1,001 – 5,000	0	0	0	0	0	0	0
5,001 – 10,000	0	0	0	0	0	0	0
10,001 – 100,000	0	0	0	0	0	0	0
100,001 and over	2 (100%)	4 (100%)	1 (100%)	13 (100%)	9 (100%)	2 (100%)	16 (100%)
Total	**2**	**4**	**1**	**13**	**9**	**2**	**16**

There are 231 holders holding less than a marketable parcel of fully paid ordinary shares.

Voting Rights

Fully paid ordinary shares: every member present at a meeting in person or by proxy has one vote on a show of hands, and one vote for each share on a poll.

Performance shares and options: no voting rights.

Unquoted Equity Securities

			Holders of 20% or More		
Class	Total Number of Securities	Total Number of Holders	Number of Holders of 20% or more	Name	Number of Securities
Options Exp 30/6/23 @ $0.12	500,000	1	2	Mr Philip Woolff	500,000
Options Exp 30/6/23 @ $0.20	1,000,000	1	2	Mr Andrew Watts	1,000,000
Options Exp 30/6/24 @ $0.30	1,000,000	1	2	Mr Andrew Watts	1,000,000
Options Exp 09/06/24 @ $0.10	8,000,000	2	2	Colin Street Investments Pty Ltd Nest Egg Capital Pty Ltd <Shiva A/C>	3,000,000 5,000,000
Options Exp 09/06/24 @ $0.17	8,000,000	2	2	Colin Street Investments Pty Ltd Nest Egg Capital Pty Ltd <Shiva A/C>	3,000,000 5,000,000
Options Exp 09/06/24 @ $0.25	14,000,000	4	2	Colin Street Investments Pty Ltd Nest Egg Capital Pty Ltd <Shiva A/C>	5,000,000 7,000,000
Options Exp 09/06/24 @ $0.30	13,000,000	3	2	Colin Street Investments Pty Ltd Nest Egg Capital Pty Ltd <Shiva A/C>	5,000,000 7,000,000
Options Exp 17/12/24 @ $0.25	25,000,000	2	2	A22 Pty Limited Formica Investments Pty Ltd <Formica Family Super Fund>	15,000,000 10,000,000
Options Exp 02/02/25 @ $0.25	16,000,000	13	1	Mr Deon Strydom <Deon Strydom Family A/C>	5,000,000
Options Exp 31/05/24 @ $0.05	47,500,000	9	2	Bellcoo Investments Pty Ltd <The Northlake S/F A/C> Shah Nominees Pty Ltd <Louis Carsten Super Fund A/C>	10,000,000 13,000,000
Options Exp 29/10/24 @ $ 0.25	2,000,000	1	1	Richmond Bridge Superannuation Pty Ltd <Richmond Bridge Super A/C>	2,000,000
Options Exp 01/11/24 @ $0.04	1,000,000	1	1	Mr George Preston	1,000,000

Restricted Securities

The Group has no restricted securities on issue.

Other

The Group is not currently conducting an on-market buy-back. There are no issues of securities approved for the purposes of item 7 of section 611 of the Corporations Act which have not yet been completed. No securities were purchased on-market during the reporting period in respect of an employee incentive scheme.

The Group has used its cash and assets in a form readily convertible to cash that it had at the time of reinstatement to quotation on 9 September 2019 in a way consistent with its business objectives (as detailed in the Company's prospectus dated 26 July 2019) for the period of time between reinstatement and 30 June 2022.

Waiver and Confirmation Conditions

The Company did not, in this reporting period, issue any of the deferred milestone performance shares linked to the purchase of Alerte Echo IQ Pty Ltd., (being 15,000,000 upon Echo IQ achieving US$5 million in revenue within 3 years linked to a leading artificial valve manufacturer, and 20,000,000 upon achieving US$10 million in revenue within 3 years).