RAD

RADIOPHARM THERANOSTICS

Annual Report:
Year Ended 30 June 2023

Radiopharm Theranostics Limited

ABN 57 647 877 889

Annual report - 30 June 2023

Directors	Mr Paul Hopper *Executive Chairman* Mr Riccardo Canevari *CEO and Managing Director* Dr Michael Baker *Non-Executive Director* Mr Ian Turner *Non-Executive Director* Ms Hester Larkin *Non-Executive Director* Dr Leila Alland *Non-Executive Director*
Secretary	Mr Phillip Hains Mr Nathan Jong
Principal registered office in Australia	Level 3, 62 Lygon Street Carlton VIC 3053 Australia Telephone: +61 (0)3 9824 5254 Facsimile: +61 (0)3 9822 7735
Share and debenture register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000 +61 (0)2 9698 5414
Auditor	Grant Thornton Audit Pty Ltd Collins Square Tower 5, 727 Collins Street Melbourne VIC 3008 Telephone: +61 (0)3 8320 2222
Solicitors	McCullough Robertson Level 11, Central Plaza Two 66 Eagle Street Brisbane QLD 4000 Telephone: +61 (0)7 3233 8888
Bankers	National Australia Bank 330 Collins Street Melbourne VIC 3000
Stock exchange listings	Radiopharm Theranostics Limited shares are listed on the Australian Securities Exchange (ASX: RAD)
Website	www.radiopharmtheranostics.com

Executive Chairman's letter

Dear fellow shareholders,

I'm pleased to present the 2023 Annual Report for Radiopharm Theranostics, after what I feel has been a productive year for the company that has set important foundations for a promising future. Against this progress, we have been buffeted by a weak share price which impacts not only you, but also our management team who are deeply committed to the success of the Company.

We delivered pleasing clinical updates during FY23 with the Pivalate program successfully completing Phase 2a trials that showed its high uptake in brain metastases, while our additional three priorities (Integrin, HER2 nanobody, PDL1 nanobody) completed their preclinical studies and are now approaching the transition to clinical stage.

The calibre of Radiopharm and its world-class team continue to be recognised more broadly, as we have been able to secure key strategic agreements and joint ventures with highly regarded partners in various geographies.

This included the JV with the leading US cancer research player, The University of Texas MD Anderson Cancer Center, to jointly develop radiopharmaceutical therapeutics for cancer, as well as a collaboration with well-established radiopharmaceutical diagnostic and imaging business Lantheus, for the further development of the NM-01 nanobody for diagnosis and treatment of multiple tumor types.

The unique nature of our technologies and the high unmet need associated with them were recognised by regulators during the year. Our DUNP19 technology received both Orphan Drug Designation and Rare Pediatric Disease designation from the US FDA for the treatment of osteosarcoma. Additionally, Ga68-Trivehexin (RAD 301) also received FDA Orphan Drug Designation for imaging patients with pancreatic ductal adenocarcinoma.

A key element of building a radiopharmaceutical business is supply of the isotopes required to deploy these technologies into clinical trials and patients. In FY23 we secured agreements for supply of Lutetium-177 from both Australia's Nuclear Science and Technology Organisation (ANSTO) and SHINE Technologies. We also signed supply agreements with TerThera for the Terbium-161 isotope and with NorthStar Medical Radioisotopes for Actinium-225.

Led by CEO and Managing Director Riccardo Canevari, the team has maintained its presence at various radiopharmaceutical and medical symposiums. It has also been bolstered by the appointments of Dr Vimal Patel as Vice President, Chemistry, and Manufacturing Controls, and Dr Sherin Al-Safadi as Vice President Medical and Corporate Affairs.

As we reflect on the past year, it is evident that the biotechnology sector has faced significant headwinds. The NASDAQ Biotechnology Index, a key benchmark for our industry, has experienced a decline of over 20% over the course of the last 24 months.

At Radiopharm, we understand the concerns that come with such market conditions and a declining share price. However, I want to assure you that we remain steadfast in our commitment to delivering innovative therapies that address unmet medical needs, which will ultimately provide shareholder value. We are managing our costs carefully.

Despite the broader industry challenges, we have laid the foundations for the future. Our resilience and adaptability have positioned us well going forward, and we are excited about the opportunities that lie ahead.

I want to take this opportunity to express my gratitude to our supportive shareholders, including those that participated in the $10m capital raising conducted during the reporting period.

As our pipeline of trials progresses through the clinic during FY24, we look forward to bringing you continued updates and news flow.

Finally, I wish to extend my thanks to all of the Radiopharm Theranostics team, in particular our CEO, Riccardo Canevari, as well as our various partners and collaborators, who are striving to bring innovative, life-changing products to patients.

Yours Sincerely,

Paul Hopper
Executive Chairman

Review of Operations & Activities

Year ended: 30 June 2023

Radiopharm Theranostics Limited is developing a world-class platform of radiopharmaceutical and nuclear medicine products for both diagnostic and therapeutic uses.

Financial Review

The group reported a loss for the year ended 30 June 2023 of $34,611,194 (30 June 2022: $30,420,008). This increased loss compared to the comparative period is due to the increase in clinical trial and research activities undertaken by the group during the year.

The group's net assets decreased to $45,579,425 (30 June 2022: $62,962,719). This is primarily as a reduction in the group's cash and cash equivalents, which have been used to progress the group's research and development activities in the year.

As at 30 June 2023, the group had cash reserves of $11,699,066 (30 June 2021: $26,979,105).

During the year, the group acquired additional intellectual property (mAb and Pharma15), increasing intangible assets by $8,167,712. Further information on these acquisitions can be found in the financial statements.

CLINICAL PROGRESS

Pivalate delivers positive Phase 2 data in brain metastases trial

During October 2022, RAD announced that Imperial College London's F-18 Pivalate (RAD 101) achieved successful Phase 2a data in patients with brain metastases, with significant tumour uptake that was consistent and independent from the tumour origin.

The trial findings included:

- F-18 Pivalate PET shows high uptake regardless of origin of primary tumour
- F-18 Pivalate can be used to monitor cerebral metastases e
- Patients without previous external beam radiation show higher tumour uptake, while those previously treated show a trend towards lower uptake

Further information released the next month showed the additional benefit of PET scan with F-18 Pivalate in detecting metabolic activity in the brain metastases, providing higher quality images.

Radiopharm acquired an exclusive worldwide licence for the Pivalate platform technology from Cancer Research Technology Limited and Imperial College London. This has been recognised as an intangible asset as detailed in the financial report.

RAD secures IND approval for Phase 1 trial of αVβ6 Integrin (RAD301)

RAD received US Food and Drug Administration (FDA) Investigational New Drug Application (IND) approval for its αVβ6 Integrin (RAD301) technology late in 2022.

The approval allows for the commencement of a Phase 1 imaging trial in ambulatory patients with pancreatic cancer. Pancreatic cancer presents a high unmet medical need with current imaging options having several limitations. RAD301 technology has already generated significant clinical data from 88 patients dosed to date in various geographies.

HER2 nanobody (RAD201) demonstrates favourable tumor targeting in breast cancer patients

In December 2022, RAD announced positive imaging data had been published regarding its HER2 nanobody (RAD201) in the prestigious European Journal of Nuclear Medicine & Molecular Imaging.

The publication indicated that RAD201 has a favourable biodistribution and showed high accumulation in all active HER2 positive tumor sites. It demonstrated a high target-to-background ratio, favourable tumor targeting and rapid blood clearance.

The publication also supported previous data regarding the safety profile for use of RAD201 in humans. In conclusion, the publication highlighted that RAD201 is a 'promising non-invasive tool for discriminating HER2 status in metastatic (breast) cancer, regardless of ongoing HER2-targeted antibody treatment'. This is made possible due to RAD201's ability to bind to a different part of the HER2 receptor.

KEY STRATEGIC AGREEMENTS, ACQUISITIONS AND JOINT VENTURES

Strategic agreements with Lantheus and NanoMab

In August 2022, Radiopharm announced it had entered into a collaboration agreement with well-regarded diagnostic and imaging company Lantheus for the mutually beneficial development of NM-01, a nanobody made using genetically engineered camelid derived single domain antibodies that can be labelled with radioisotopes for the potential diagnosis and treatment of multiple tumor types.

Radiopharm and Lantheus will also have the option to expand their collaboration to additional assets and potential licencing opportunities in Radiopharm's pipeline under the agreement.

Separately, in a concurrent agreement, Radiopharm acquired the imaging rights of NM-01 from NanoMab for the strategic Chinese market and worldwide IP rights for any therapeutic use.

Joint venture launched with MD Anderson to develop novel radiopharmaceuticals

In September, Radiopharm and The University of Texas MD Anderson Cancer Center announced the launch of Radiopharm Ventures, LLC, a joint venture company created to develop novel radiopharmaceutical therapeutic products for cancer.

The joint venture brings together Radiopharm's expertise in the development of radiopharmaceutical products and MD Anderson's innovative and proprietary technologies in antigen discovery and molecular imaging.

As set out in the financial report, Radiopharm has determined it has control of Radiopharm Ventures LLC, which has consequently been consolidated in the financial statements.

Through this arrangement, Radiopharm has obtained the rights to develop mAb which has been recognised as an intangible asset.

Pharma15 acquisition adds next generation preclinical platform to RAD portfolio

The Group's wholly owned subsidiary, Radiopharm Theranostics (USA) Inc., entered into a binding agreement to acquire Pharma15 Corporation (Pharma15). This acquisition was completed on 3 March 2023.

Pharma15 is a US-based venture developing next-generation therapeutic radiopharmaceuticals which seek to overcome resistance to prostate-specific membrane antigen (PSMA) targeting cancer therapies currently available or in late-stage development. In each case, the technologies exhibit highly specific targeting of receptors expressed on cancer cells, but not in healthy tissues. This selectivity may further limit toxicity in the new approaches to targeted radiotherapy in prostate cancer.

As part of the agreement, Pharma15's scientific co-founder Professor David Ulmert and key opinion leader Professor Ken Herrmann joined RAD's Scientific Advisory Board, and are spearheading development of the acquired technologies.

Radiopharm partners with GenesisCare for radiopharmaceutical development

Radiopharm made a joint announcement with leading global provider of integrated cancer care and theranostics research, GenesisCare, regarding a new two-year strategic research collaboration to develop novel radiopharmaceuticals for some complex, hard-to-treat cancers.

GenesisCare will conduct Phase 1 clinical trials in Australia to study the safety and tolerability of these radiopharmaceuticals in areas of high unmet need in oncology.
The collaboration will see GenesisCare's Contract Research Organisation (CRO) and Imaging Research Organisation (IRO) engaged to implement Phase 1 clinical trials in Australia, involving Radiopharm's platform of radiopharmaceutical nanobodies.

The trials to be conducted under the research partnership are:
1.Phase 1 trial involving Radiopharm's proprietary nanobody from its Nano-mAbs platform which targets the PDL1 expression in non-small cell lung cancer
2.Phase 1 trial involving Radiopharm's PTPu targeting peptide in Brain Tumors
3.Phase 1 trial involving Radiopharm's PSA targeting antibody which targets free human prostate
4.kallikrein (PSA) in prostate cancer cells.
5.A Phase 1 trial using Radiopharm's PSA targeting antibody targeting prostate cancer

REGULATORY MILESTONES

Orphan drug status and rare pediatric disease designation granted by FDA to RAD's DUNP19 for osteosarcoma

Radiopharm announced that the US Food and Drug Administration (FDA) granted Orphan Drug Designation for its DUNP19 technology for the treatment of osteosarcoma, a rare bone cancer that primarily affects children, adolescents and young adults. Currently surgery and chemotherapy are the only treatments available.

This designation can be granted for a drug or biologic product with the potential to diagnose, prevent or treat rare diseases and conditions. Recipients of this designation are typically entitled to benefits and incentives including tax credits for qualified clinical trials, exemption from user fees and a potential seven years of market exclusivity following the drug's approval.

The FDA also granted Rare Pediatric Disease designation for the Company's DUNP technology. This program is aimed at advancing the development of drugs with the potential to treat serious, rare pediatric diseases.

The designation allows companies to receive a priority review voucher (PRV) from the FDA when a marketing authorization is granted. This can be used to expedite approval or can be sold/transferred to other companies for use in the same manner.

RAD 301 receives FDA Orphan Drug Designation

In May 2023, Radiopharm announced that the US FDA had granted Orphan Drug Designation for Ga68-Trivehexin (RAD 301), a radiopharmaceutical technology for imaging patients with pancreatic ductal adenocarcinoma (PDAC).

Radiopharm is developing Trivehexin as a unique radiopharmaceutical for both imaging and treatment of pancreatic cancer. Trivehexin, a proprietary peptide-based molecule, targets αvβ6-integrin, a cellular indicator of tumour invasion and metastatic growth. Its expression correlates with decreased survival in several carcinomas, and it is found in high density on most pancreatic carcinoma cells, rendering it a valuable diagnostic and therapeutic target.

FDA Pre-IND meeting supports an IND application for RAD 101

Radiopharm completed a successful pre-IND meeting with the FDA concerning F18-pivalate (RAD 101), representing a significant milestone towards the IND application for the Company's late-stage clinical trials.

Following positive guidance from the FDA, Radiopharm will file an IND application to commence a multi-centre trial for imaging brain metastasis in Q4 CY 2023, with plans to administer the first patient dose by the end of 2023.

SUPPLY AGREEMENTS

Lu-177 clinical supply agreements with ANSTO & SHINE Technologies

In November 2022, Radiopharm secured an agreement with Australia's Nuclear Science and Technology Organisation (ANSTO) to supply RAD with isotope non-carrier-added lutetium-177 (Lu-177) for its trials in Australia.

The isotope is being used in combination with Radiopharm's propriety nanobody as part of a Phase I therapeutic dose escalation trial in patients with non-small cell lung cancer.

Prior to this Radiopharm and SHINE Technologies, a next generation fusion technology company, announced a clinical supply agreement where SHINE will also supply Radiopharm with isotope Lu-177, to be used in Radiopharm's clinical pipeline development of diagnostic and therapeutic radiopharmaceutical products. Lu-177 is an important isotope utilised in multiple programs across the Company's portfolio and is an important step in de-risking RAD's business plan.

Agreement with TerThera to supply Terbium-161 isotope

The Company signed a supply agreement with TerThera for the provision of the isotope Terbium-161 (Tb-161). This isotope will be combined with a unique peptide to create RAD 602, a radiotherapeutic agent designed by Radiopharm to target protein tyrosine phosphatase mu (PTPμ), a protein primarily found in cancer cells.

Terbium-161 has been identified as a promising isotope for targeted cancer therapy, due to its radiation characteristics, which include both Auger electrons and beta particles. The isotope's bioequivalence shows promise for comparable biodistribution to existing radiolanthanides and potential superiority over Lutetium-177 (Lu-177), due to its enhanced potency and efficacy in destroying tumour cells while sparing healthy tissue.

Actinium-225 supply agreement with NorthStar Medical Radioisotopes

Radiopharm entered into a clinical supply agreement with NorthStar Medical Radioisotopes for the supply of Actinium-225 to RAD.

Actinium-225 is key to development of several radiopharmaceutical products within Radiopharm's broad portfolio of technologies, with this being the second supply agreement the Company secured for Actinium-225. It will be utilised in drug trials involving targeted alpha therapy in multiple disease areas.

CONFERENCE/SUMMIT PARTICIPATION

Ga68-Integrin (RAD301) selected for presentation at EANM

In September 2022, the Company announced with TRIMT GmbH that its Ga68-Integrin (RAD301) was selected for an oral presentation at the 35th Annual Congress of the European Association of Nuclear Medicine (EANM).

Dr. Jana Rehm (University Hospital Carl Gustav Carus Dresden, Nuclear Medicine Dpt.) presented "PET/CT and PET/MR imaging with 68Ga-TVH in patients with pancreatic cancer - First clinical experience" within one of the top-rated oral presentation sessions of the Scientific Program of EANM on Tuesday 18 October 2022.

The clinical evaluation of Ga68-Integrin in PDAC by the team of Prof. Dr. Jörg Kotzerke was also selected for the Congress Highlights.

Pivalate phase II data presented at 34th EORTC/AACR/NCI Symposium in Barcelona

Data from Imperial College London's F-18 Pivalate phase 2a imaging trial in brain metastases, funded by the Medical Research Council, was presented at the 34th EORTC/AACR/NCI symposium in Barcelona (26-28 October 2022).

The positive phase 2a data in patients with brain metastases demonstrated that F-18 Pivalate PET showed high uptake regardless of the origin of the primary tumor and can also be used to monitor cerebral.

Participation in Jefferies Radiopharma Innovation Summit

Radiopharm CEO Riccardo Canevari and COO Vittorio Puppo participated in Jefferies Inaugural Radiopharma Innovation Summit, held in New York City on April 3rd, 2023.

FINANCIAL / LISTING UPDATES

R&D tax incentive received

As part of the Australian Government's R&D tax incentive, Radiopharm received a research and development (R&D) tax refund of A$1,555,196. The refund is in recognition of the company's R&D activities during the 2022 financial year.

Institutional and retail entitlement offer to raise $10m

Radiopharm undertook a capital raising on 19 October 2022, comprised of an institutional and retail entitlement offer, to raise a total of $10m. The 1 for 3.55 accelerated non-renounceable entitlement offer was conducted at A$0.14 per New Share, with participants receiving 1 new option for every New Share issued under the offer (exercise price of A$0.20, expiry 30 November 2026).

Radiopharm Chairman, Paul Hopper, committed to subscribe for A$500,000 under the Offer and CEO, Riccardo Canevari, subscribed for approximately A$170,000.

RAD initiates process for Nasdaq listing

During February 2023 Radiopharm announced it had initiated the process to obtain a secondary listing on the Nasdaq Capital Market. The Company filed a registration statement on Form 20-F with the US Securities and Exchange Commission and a listing application with Nasdaq. The listing process has not been finalised as at the date of this report.

The Nasdaq listing will take the form of a Level 2 American Depositary Receipt program, with each American Depositary Share representing 100 ordinary shares, and does not involve the raising of any capital. The American Depositary Shares (ADSs) are expected to trade on Nasdaq under the ticker RADX.

The Nasdaq listing will complement the existing primary listing of RAD shares on the Australian Securities Exchange (ASX).

For and on behalf of the company

Riccardo Canevari
Managing Director and Chief Executive Officer

Material Risk Report

Additional Information with regards to Risk Management and Key Risks

There are various internal and external risks that may have a material impact on the Group's future financial performance. The Group has processes in place to identify materials risks and to manage these effectively.

The Board takes a proactive approach to risk management. The Board has oversight of the Audit & Risk Committee which is responsible for ensuring that risks, and opportunities are identified in a timely manner and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Audit & Risk Committee meets periodically to review the risk register and receive updates on and provides feedback to Management on the identification of risks and the progress/effectiveness of risk mitigation strategies.

Material risks that could adversely impact the Group's financial prospects are outlined below. These risks do not represent an exhaustive list of the risks Radiopharm is exposed to, nor are they in order of significance.

Clinical Trial Risk

The ability of the Group to commercialise its intellectual property is dependent on receiving approvals to conduct future clinical trials. Given the nature of the Group's activities, there is a risk that the clinical trials may not be successful. If the Group does not receive approval for clinical trials, or the clinical trials are not successful, this will impact on the Group's ability to commercialise its intellectual property.

The Group mitigates this risk by having highly qualified and skilled personnel and consultants where required conducting clinical trials and liaising with regulatory and licensing authorities.

Dependence upon key personnel

Radiopharm depends on the talent and experience of its personnel as its primary asset. There may be a negative impact on Radiopharm if any of its key personnel leave. It may be difficult to replace them, or to do so in a timely manner or at a comparable expense.

The Group mitigates this risk by ensuring key personnel are remunerated commensurate to the value they provide Radiopharm and also invested in the success of Radiopharm through the issuance of short and long term incentives.

Competition

The Biotechnology and Pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. A number of companies, both in Australia and abroad, may be pursing the development of products that target the same markets that Radiopharm is targeting. The Company's products may compete with existing alternative treatments that are already available to customers. In addition, a number of companies, both in Australia and abroad, may be pursuing the development of products that target the same conditions that the Group is targeting.

The Group mitigates this risk by completing extensive assessments periodically of their competitors and their progress to ensure that Radiopharm has a competitive advantage where possible.

Requirements to raise additional funds

The Group may be required to raise additional equity or debt capital in the future. As there is no assurance a raise will be successful when required, the group may need to reprioritise its operations.

The Group mitigates this risk by closely monitoring their cash and cash equivalents and engaging in investment/funding opportunities as required.

Risk of delay and continuity of operations

Radiopharm may experience delay in achieving a number of critical milestones, including securing commercial partners, completion of clinical trials, obtaining regulatory approvals, manufacturing, product launch and sales. Any material delays may impact adversely upon the group including the timing of any revenues under milestone or sales payments.

The Group mitigates this risk by closely managing timelines of critical milestones and actively engages with potential commercial partners and regulators. In addition, the Group is ensuring that all FDA and regulatory advice is carefully reviewed and implemented accordingly.

Manufacturing

Manufacturing processes may result in product batches not meeting minimum specifications, raw material components not being sourced to specification. The manufacturing process may encounter process issues not previously identified and controlled, and there may be non-controllable disruptions to the operations of the products, contract manufacturers. These factors may lead to delay or non-supply of product and/or adverse regulatory outcomes.

The Group mitigates this risk by working very closely with its suppliers to ensure scheduling fits forecast requirements and that the manufacturing processes are actively managed. New suppliers are subject to due diligence processes and key relationships are developed with regulatory agencies to support the Group in the event of supply chain disruption.

Your directors present their report on the consolidated entity consisting of Radiopharm Theranostics Limited and the entities it controlled (Radiopharm Theranostics (USA) Inc and Radiopharm Ventures LLC) at the end of, or during, the year ended 30 June 2023. Throughout the report, the consolidated entity is referred to as the group.

Directors and company secretary

The following persons held office as directors of Radiopharm Theranostics Limited during the financial year and up to the date of this report, except where otherwise stated:

Mr Paul Hopper, Executive Chairman
Mr Riccardo Canevari, CEO and Managing Director
Dr Michael Baker, Non-Executive Director
Mr Ian Turner, Non-Executive Director
Ms Hester Larkin, Non-Executive Director
Dr Leila Alland, Non-Executive Director

The following persons held office as company secretary of Radiopharm Theranostics Limited during the whole of the financial year and up to the date of this report, except where otherwise stated:

Mr Phillip Hains
Mr Nathan Jong

Principal activities

Radiopharm Theranostics Limited is an Australian research and development group. The aim of the group is focused on the development of radiopharmaceutical products for diagnostic and therapeutic uses in areas of high unmet medical need. Lead products under development by the group are Nano-mAbs and AVB6 Integrin.

Dividends

No dividends were declared or paid to members for the year ended 30 June 2023 (2022: none). The directors do not recommend that a dividend be paid in respect of the financial year.

Review of operations

Information on the operations and financial position of the group and its business strategies and prospects is set out in the review of operations and activities, which forms part of this directors' report, on pages 4 to 11 of this Annual report.

Significant changes in the state of affairs

On 9 July 2022, Radiopharm Theranostics (USA) Inc. and The University of Texas MD Anderson Cancer Center formed Radiopharm Ventures, LLC, a joint venture to develop novel radiopharmaceutical therapeutic products for cancer. The joint venture will focus initially on developing products based on MD Anderson intellectual property. Radiopharm Ventures, LLC is a limited liability company jointly owned by Radiopharm Theranostics (USA) Inc. (a wholly owned subsidiary of Radiopharm) (51%) and MD Anderson (49%). The University of Texas MD Anderson Cancer Center has granted a license to Radiopharm Ventures for certain patent and technology rights for development and commercialisation.

On 25 October 2022 Radiopharm Theranostics Limited participated in an institutional entitlement offer on the Australian Stock Exchange and in the process raised $5.8 million through the issue of 41,028,222 shares at $0.14. Additionally, 32,073,235 shares were issued at $0.14 via a rights issue raising an additional $4.5 million.

On 14 February 2023, Radiopharm Theranostics Limited announced the initiation of the process to obtain a secondary listing on the Nasdaq Capital Market. The group has filed a registration statement on Form 20-F with the US Securities and Exchange Commission and a listing application with Nasdaq.

On 3 March 2023, Radiopharm Theranostics Limited announced the acquisition of Pharma15 Corporation through its wholly owned subsidiary, Radiopharm Theranostics (USA) Inc..

Significant changes in the state of affairs (continued)

In the opinion of the directors, there were no other significant changes in the state of affairs of the group that occurred during the year.

Events since the end of the financial year

No matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial years.

Likely developments and expected results of operations

The group aims to create value for shareholders through researching, developing and commercialising Radiopharmaceutical products. These development programs are not expected to generate revenues in the short-term, Long-term, and pending a successful development outcome, these development programs could increase shareholder value by many multiples.

More information on these developments is included in the review of operations and activities which forms part of this directors' report.

Environmental regulation

The group is not affected by any significant environmental regulation in respect of its operations.

Information on directors

The following information is current as at the date of this report.

Mr Paul Hopper *Executive Chairman*	
Experience and expertise	Mr Hopper has over 20 years' experience in the management and funding of biotechnology and healthcare public companies as chairman, Chief Executive Officer and director in Australia and the United States. Mr Hopper's sector experience has covered a number of therapeutic areas with a particular emphasis on immunotherapy. He also has extensive capital markets experience in equity and debt raisings in Australia, Asia, Europe, and the United States.
Date of appointment	11 February 2021
Other current directorships	Imugene Limited (ASX: IMU), since 31 October 2012 Chimeric Therapeutics Limited (ASX: CHM) since 2 February 2020
Former directorships in last 3 years	Scopus BioPharma Inc (NASDAQ: SCPS), until 18 May 2022 Arovella Therapeutics Limited (ASX: ALA) (formally SUDA Pharmaceuticals Ltd), until 30 June 2022
Special responsibilities	Executive Chairman

Information on directors (continued)

Mr Riccardo Canevari *CEO and Managing Director*	
Experience and expertise	Mr Canevari joined the group in September 2021 as Radiopharm's CEO and Managing Director. Mr Canevari has broad and deep experience across specialty pharma, oncology and radiopharmaceuticals. He was most recently Chief Commercial Officer of Novartis company Advanced Accelerator Applications, one of the leading radiopharmaceutical and nuclear medicine companies globally.
Date of appointment	13 September 2021
Other current directorships	None
Former directorships in last 3 years	None
Special responsibilities	Chief Executive Officer

Dr Michael Baker *Non-Executive Director*	
Experience and expertise	Dr Baker has over 15 years of experience in scientific research, drug development and venture investing. He was an Investment Manager with leading Australian life science fund, BioScience Managers, responsible for deal sourcing form networks, conferences, universities, and research institutes. He also conducted due diligence to shortlist investment opportunities and played an active role in managing portfolio companies. He is currently the CEO and Managing Director of Arovella Therapeutics, a biotechnology company focused on developing cell therapies to treat cancer.
Date of appointment	11 February 2021
Other current directorships	Arovella Therapeutics Limited (ASX: ALA) (formally SUDA Pharmaceuticals Ltd) since 1 July 2020
Former directorships in last 3 years	None
Special responsibilities	Chair of audit and risk committee Member of remuneration and nomination committee

Mr Ian Turner *Non-Executive Director*	
Experience and expertise	Mr. Turner is a globally experienced C-level executive with a 25-year record of corporate success in the radiopharmaceutical, nuclear medicine, and life science technology industries, specialising in the leadership of global organizations undergoing change. He has served as Chairman, Executive Director, Non-Executive Director, Chief Executive Officer or General Manager of more than ten companies in the US, Australia, Europe and Asia including CEO at Siemens Radiopharmaceuticals which operated the world's largest nuclear PET radiopharmacy network.
Date of appointment	1 April 2021
Other current directorships	None
Former directorships in last 3 years	None
Special responsibilities	Member of audit and risk committee

Information on directors (continued)

Ms Hester Larkin *Non-Executive Director*	
Experience and expertise	Ms Larkin has a 30-year career spanning both pharmaceuticals and nuclear medicine across Europe, Middle East & Africa, including over 12 years' experience in senior leadership roles in the industry. Ms Larkin is currently Managing Director of Hester Larkin Associates Consulting where she consults to diagnostic imaging, pharmaceutical and biotech companies on pre-clinical, clinical, European Medicines Agency (EMA) submission, EU medical advisory boards, EU manufacturing and commercial partnerships. Ms Larkin holds a BSc Hons and an LLB Hons in Law and she has held several Director and Trustee positions in the UK and Belgium.
Date of appointment	3 February 2022
Other current directorships	None
Former directorships in last 3 years	None
Special responsibilities	Chair of remuneration and nomination committee Member of audit and risk committee

Dr Leila Alland *Non-Executive Director*	
Experience and expertise	Dr Alland is a pediatric hematologist-oncologist with a strong track record in developing oncology drug products. She has held leadership positions at AstraZeneca, Bristol-Myers Squibb, Novartis and Schering-Plough, where she contributed to multiple successful drug approvals. Dr Alland is currently Chief Medical Officer of PMV Pharmaceuticals, a clinical stage precision oncology company. During her academic tenure, she was awarded the James S McDonnell Foundation Scholar Award and pursued basic cancer research while also caring for children with cancer and blood disorders.
Date of appointment	6 June 2022
Other current directorships	Abeona Therapeutics Inc (NASDAQ: ABEO) since April 2021
Former directorships in last 3 years	None
Special responsibilities	Member of remuneration and nomination committee Member of audit and risk committee

Company secretary

The joint group secretaries are Mr Phillip Hains and Mr Nathan Jong.

Phillip Hains is a Chartered Accountant operating a specialist public practice, The CFO Solution, now part of Acclime Australia. The CFO Solution focuses on providing back office support, financial reporting and compliance systems for listed public companies. A specialist in the public company environment, Mr Hains has served the needs of a number of company boards and their related committees. He has over 30 years' experience in providing businesses with accounting, administration, compliance and general management services.

Mr Nathan Jong is a Chartered Accountant and Fellow of the Governance Institute of Australia with over 15 years' of experience in providing finance and corporate compliance advisory services to a range of businesses including multinational ASX and NASDAQ listed companies. Mr Jong is also part of The CFO Solution team.

Meetings of directors

The numbers of meetings of the group's board of directors and of each board committee held during the year ended 30 June 2023, and the numbers of meetings attended by each director were:

	Full meetings of directors		Meetings of committees			
			Audit & risk		Remuneration & nomination	
	A	B	A	B	A	B
Mr Paul Hopper	9	9	-	-	-	-
Mr Riccardo Canevari	9	9	-	-	-	-
Mr Ian Turner	9	9	6	6	-	-
Dr Michael Baker	9	9	6	6	2	2
Ms Hester Larkin	9	9	5	6	2	2
Dr Leila Alland	9	9	5	6	2	2

A= Number of meetings attended
B= Number of meetings held during the time the director held office or was a member of the Audit & Risk Committee during the year.

Audited Remuneration report

The directors present the Radiopharm Theranostics Limited 2023 remuneration report, outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

(a) Key management personnel (KMP) covered in this report
(b) Remuneration policy and link to performance
(c) Elements of remuneration
(d) Link between remuneration and performance
(e) Remuneration expenses for executive KMPs
(f) Contractual arrangements for executive KMPs
(g) Non-executive director arrangements
(h) Additional statutory information

(a) Key management personnel covered in this report

Non-executive and executive directors (see pages 13 to 15 for details about each director)

Mr Paul Hopper, Executive Chairman
Mr Riccardo Canevari, CEO and Managing Director
Dr Michael Baker, Non-Executive Director
Mr Ian Turner, Non-Executive Director
Ms Hester Larkin, Non-Executive Director
Dr Leila Alland, Non-Executive Director

Other key management personnel

Prof David Mozley, Chief Medical Officer (CMO)
Mr Vittorio Puppo, Chief Operating Officer (COO)
Dr Thom Tulip, Chief Business Officer (CBO)

(b) Remuneration policy and link to performance

Our remuneration and nomination committee is made up of independent non-executive directors. The committee reviews and determines our remuneration policy and structure annually to ensure it remains aligned to business needs, and meets our remuneration principles. In particular, the board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the group to attract and retain key talent
- aligned to the group's strategic and business objectives and the creation of shareholder value
- transparent and easily understood, and
- acceptable to shareholders.

Audited Remuneration report (continued)

(b) Remuneration policy and link to performance (continued)

Element	Purpose	Performance metrics	Potential value
Fixed remuneration (FR)	Provide competitive market salary including superannuation and non-monetary benefits	Nil	Positioned at the market rate. Refer to section G - 'Contractual arrangements with executive KMPs' for more detail.
Short term incentives (STI)	Reward for in-year performance and retention	Company and individual performance goals determined by the remuneration committee. KPIs may include increasing shareholder value, enhancing the group's pipeline and driving the development of the group's assets. Each individual is assessed by the remuneration committee and allocated a % achievement for their bonus.	CEO: 50% of FR CMO: 40% of FR COO: 40% of FR CBO: 40% of FR
Long term incentives (LTI)	Alignment to long-term shareholder value	Company and individual performance goals determined by the remuneration committee. KPIs may include increasing shareholder value, enhancing the group's pipeline and driving the development of the group's assets. Each individual is assessed by the remuneration committee and allocated a % achievement for their bonus.	CEO: 8,666,678 unlisted 5-year options at $0.60 exercise price 12,505,088 unlisted 5-year options at $0.17 exercise price CMO: 2,533,336 unlisted 5-year options at $0.60 exercise price 6,519,115 unlisted 5-year options at $0.17 exercise price COO: 2,500,000 unlisted 5-year options at $0.60 exercise price CBO: 2,533,336 unlisted 5-year options at $0.60 exercise price 4,250,463 unlisted 5-year options at $0.17 exercise price

Assessing performance and claw-back of remuneration

The remuneration and nomination committee is responsible for assessing performance against Key Performance Indicator (KPIs) and determining the STI and LTI to be paid. To assist in this assessment, the committee receives data from independently run surveys.

Performance is monitored on an informal basis throughout the year and a formal evaluation is performed annually.

Share trading policy

Radiopharm Theranostics Limited's securities trading policy applies to all directors and executives, see https://www.radiopharmtheranostics.com/investors It only permits the purchase or sale of group securities during certain periods.

Audited Remuneration report (continued)

(c) Elements of remuneration

Fixed annual remuneration

Key management personnel may receive their fixed remuneration as cash, or cash with non-monetary benefits such as health insurance and car allowances. FR is reviewed annually, or on promotion. It is benchmarked against market data for comparable roles in companies in a similar industry and with similar market capitalisation. The committee aims to position executives at or near the median, with flexibility to take into account capability, experience, value to the organisation and performance of the individual.

Short-term incentives

All executives are entitled to participate in a short-term incentive scheme which provides for executive employees to receive a combination of STI as part of their total remuneration if they achieve certain performance indicators as set by the board. The STI can be paid either by cash, or a combination of cash and the issue of equity in the group, at the determination of the remuneration and nomination committee and board.

The group's CEO, CMO, COO and CBO are entitled to short-term incentives in the form of cash bonus up to 50% of their base salary, for the CEO, and 40% for the CMO, COO and CBO , against agreed KPIs. On an annual basis, KPIs are reviewed and agreed in advance of each financial year and include financial (for CEO and COO) and non-financial company (for CEO, CMO, COO and CBO) and individual performance goals. Additional shares or options can be granted at the discretion of the board based on performance.

Long-term incentives

Executives may also be provided with longer-term incentives through the group's 'Omnibus Incentive Plan' (OIP), that was approved by shareholders at the annual general meeting held on 11 October 2021. The aim of the OIP is to allow executives to participate in, and benefit from, the growth of the group as a result of their efforts and to assist in motivating and retaining those key employees over the long-term. Continued service is the condition attached to the vesting of the options. The board at its discretion determines the total number of options granted to each executive.

(d) Link between remuneration and performance

Statutory performance indicators

We aim to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the group's financial performance since incorporation as required by the *Corporations Act 2001*. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	2023	2022	2021
Loss for the year attributable to owners	34,611,194	30,420,008	485,190
Basic loss per share (cents)	11.32	16.78	48519.00
Share price at year end ($)	0.10	0.15	1.00

The group's earnings have remained negative since inception due to the nature of the business. Shareholder wealth reflects this speculative and volatile market sector. No dividends have ever been declared by Radiopharm Theranostics Limited. The group continues to focus on the research and development of its intellectual property portfolio with the objective of achieving key development and commercial milestones in order to add further shareholder value.

Audited Remuneration report (continued)

(e) Remuneration expenses for KMP

The following table shows details of the remuneration expenses of each director or other key management personnel recognised for the year ended 30 June 2023 in accordance with the requirements of the accounting standards.

2023	Short-term benefits					Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees $	Cash bonus $	Benefits $	Annual Leave $	Other $	401k $	Forfeiture Payments $	Options $	Forfeiture Shares $	Total $
Non-executive directors										
Dr Michael Baker	65,000	-	-	-	-	-	-	111,047	-	176,047
Mr Ian Turner	55,000	-	-	-	297,797	-	-	184,198	-	536,995
Ms Hester Larkin	65,000	-	-	-	-	-	-	-	-	65,000
Dr Leila Alland	60,000	-	-	-	-	-	-	41,398	-	101,398
Executive directors										
Mr Paul Hopper	250,000	21,450	-	-	-	-	-	188,515	-	459,965
Mr Riccardo Canevari	825,449	167,421	124,237	66,524	-	101,413	220,989	1,455,474	219,457	3,180,964
Other KMP										
Prof David Mozley	594,918	7,240	62,542	47,945	-	53,116	-	689,349	-	1,455,110
Mr Vittorio Puppo	684,156	111,011	78,583	53,547	-	22,749	81,886	177,322	76,819	1,286,073
Dr Thomas Tulip	475,783	28,959	-	-	-	-	-	-	-	504,742
Total KMP compensation	**3,075,306**	**336,081**	**265,362**	**168,016**	**297,797**	**177,278**	**302,875**	**2,847,303**	**296,276**	**7,766,294**

- Benefits relate to the healthcare benefits provided to employees based in the US per their agreements.
- 401k amounts are retirement benefits that are part of the US employees contracts.
- Mr Ian Turner received $297,797 for additional services on normal commercial terms. This includes business, market and technical consultancy services in the field of nuclear medicine.
- The company has entered agreements to pay Mr Riccardo Canevari a total of €399,999 in cash and €399,999 in shares for forfeiture of long-term incentives with his former employment. The amortising of the expense is cumulative and vests over the service period on three separate vesting dates, being 13 September 2022, 2023 and 2024. The above amounts include what the company has recognised as payable at 30 June 2023.
- The company has entered agreements to pay Mr Vittorio Puppo a total of USD $87,500 in cash and USD $87,500 in shares for forfeiture of long-term incentives with his former employment. The amortising of the expense is cumulative and vests over the service period on three separate vesting dates, being 1 June 2023, 2024 and 2025. The above amounts include what the company has recognised as payable at 30 June 2023.

Audited Remuneration report (continued)

(e) Remuneration expenses for KMP (continued)

- Cash bonus includes the amount paid or accrued in the year ended 30 June 2023 in relation to FY 2023 performance as follows:
    - Mr Paul Hopper received a $21,450 (26% achievement) performance bonus for FY 2023 (accrued, approved by the board in FY 2024). The bonus' were for meeting performance milestones (increasing shareholder value, enhancing the group's pipeline, staff resourcing and driving the development of the group's assets).
    - Mr Riccardo Canevari received a $167,421 (40% achievement) performance bonus for FY 2023 (accrued, approved by the board in FY 2024). The bonus was for meeting performance milestones (increasing shareholder value, enhancing the group's pipeline, staff resourcing and driving the development of the group's assets).
    - Prof David Mozley received a $7,240 (3% achievement) performance bonus for FY2023 (accrued, approved by the board in FY 2024). The bonus was for meeting performance milestones (enhancing the group's pipeline, driving the development of the group's assets).
    - Mr Vittorio Puppo received a $111,011 (40% achievement) performance bonus for FY2023 (accrued, approved by the board in FY 2024). The bonus was for meeting performance milestones (enhancing the group's pipeline, driving the development of the group's assets).
    - Dr Thomas Tulip received a $28,959 (15% achievement) performance bonus for FY2023 (accrued, approved by the board in FY 2024). The bonus was for meeting performance milestones (enhancing the group's pipeline, driving the development of the group's assets).

Audited Remuneration report (continued)

(e) Remuneration expenses for KMP (continued)

The following table shows details of the remuneration expenses of each director or other key management personnel recognised for the year ended 30 June 2022 in accordance of the requirements of the accounting standards.

2022	Short-term benefits					Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees $	Cash bonus $	Benefits $	Annual leave $	Other $	401k $	Forfeiture payments $	Options $	Forfeiture shares $	Total $
Non-executive directors										
Mr Phillip Hains	-	-	-	-	-	-	-	88,386	-	88,386
Dr Michael Baker	54,583	-	-	-	-	-	-	269,422	-	324,005
Mr Ian Turner	54,583	-	-	-	112,118	-	-	271,314	-	438,015
Ms Hester Larkin	31,667	-	-	-	-	-	-	108,339	-	140,006
Dr Leila Alland	3,598	-	-	-	-	-	-	19,872	-	23,470
Executive directors										
Mr Paul Hopper	229,167	61,875	-	-	-	-	-	-	-	291,042
Mr Riccardo Canevari	631,281	238,144	102,975	51,528	406,811	28,905	301,702	1,168,092	303,128	3,232,566
Other KMP										
Prof David Mozley	554,716	173,808	56,139	37,137	20,822	18,148	-	527,116	-	1,387,886
Total KMP compensation	**1,559,595**	**473,827**	**159,114**	**88,665**	**539,751**	**47,053**	**301,702**	**2,452,541**	**303,128**	**5,925,376**

Notes

- Benefits relate to the healthcare benefits provided to employees based in the US per their agreements.
- 401k amounts are retirement benefits that are part of the US employees contracts.
- Mr Riccardo Canevari received his sign on bonus of $406,811 in two instalments in October 2021 and December 2021.
- Mr Ian Turner received $112,118 for additional services on normal commercial terms. This includes business, market and technical consultancy services in the field of nuclear medicine.
- The company has entered agreements to pay Mr Riccardo Canevari a total of €399,999 in cash and €399,999 in shares for forfeiture of long-term incentives with his former employment. The expense is cumulative and vests over the service period on three separate vesting dates, being 13 September 2022, 2023 and 2024. The above amounts include what the company has recognised as payable at 30 June 2022.
- Cash bonus includes the amount paid or accrued in the year ended 30 June 2022 in relation to FY 2022 performance as follows:
    - Mr Paul Hopper received a $61,875 (75% achievement) performance bonus for FY 2022 (accrued, approved by the board in FY 2023). The bonus' were for meeting performance milestones (increasing shareholder value, enhancing the group's pipeline, staff resourcing and driving the development of the group's assets).
    - Mr Riccardo Canevari received a $238,144 (75% achievement) performance bonus for FY 2022 (accrued, approved by the board in FY 2023). The bonus was for meeting performance milestones (increasing shareholder value, enhancing the group's pipeline, staff resourcing and driving the development of the group's assets).
    - Prof David Mozley received a $173,808 (75% achievement) performance bonus for FY2022 (accrued, approved by the board in FY 2023). The bonus was for meeting performance milestones (enhancing the group's pipeline, driving the development of the group's assets).

Audited Remuneration report (continued)

(f) Contractual arrangements with executive KMPs

Name:	Mr Paul Hopper
Position:	Executive Chairman
Contract duration:	Unspecified
Notice period:	4 months by either party
Fixed remuneration:	$250,000 per annum

Name:	Mr Riccardo Canevari
Position:	Chief Executive Officer
Contract duration:	Unspecified
Notice period:	3 months by either party
Fixed remuneration:	US$555,000 per annum

Name:	Prof David Mozley
Position:	Chief Medical Officer
Contract duration:	Unspecified
Notice period:	6 weeks by either party
Fixed remuneration:	US$400,000 per annum

Name:	Mr Vittorio Puppo
Position:	Chief Operating Officer
Contract duration:	Unspecified
Notice period:	2 months by either party
Fixed remuneration:	US$460,000 per annum

Name:	Dr Thom Tulip
Position:	Chief Business Officer
Contract duration:	Unspecified
Notice period:	30 days by either party
Fixed remuneration:	US$320,000 per annum

(g) Non-executive director arrangements

Non-executive directors receive a board fee of $50,000 per annum. A non-executive director who is chair of a committee will receive an additional $10,000 per annum and a non-executive director who is a member of a committee an extra $5,000 per annum. They do not receive performance-based pay (excluding share-based payments) or retirement allowances.

Fees are reviewed annually by the board taking into account comparable roles and market data provided by the board's independent remuneration adviser. The current base fees were reviewed at incorporation.

The maximum annual aggregate non-executive directors' fee pool limit is $500,000 and was approved by shareholders via annual general meeting 2021.

Audited Remuneration report (continued)

(h) Additional statutory information

(i) Relative proportions of fixed vs variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense on page 20 above:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2023	2022	**2023**	2022	**2023**	2022
	%	%	**%**	%	**%**	%
Non-executive director						
Dr Michael Baker	**37**	17	**-**	-	**63**	83
Mr Ian Turner	**66**	38	**-**	-	**34**	62
Ms Hester Larkin	**100**	23	**-**	-	**-**	77
Dr Leila Alland	**59**	15	**-**	-	**41**	85
Executive directors						
Mr Paul Hopper	**54**	79	**5**	21	**41**	-
Mr Riccardo Canevari	**42**	47	**5**	7	**53**	46
Other KMP						
Prof David Mozley	**53**	49	**-**	13	**47**	38
Mr Vittorio Puppo	**71**	-	**9**	-	**20**	-
Dr Thomas Tulip	**94**	-	**6**	-	**-**	-

Audited Remuneration report (continued)

(h) Additional statutory information (continued)

(ii) Terms and conditions of the share-based payment arrangements

Options

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting year are as follows:

Holder	Grant date	Vesting date	Expiry date	Number of Options	Exercise price ($)	Value per option at grant date ($)	Vested (%)
Ms Hester Larkin	2022-11-16	2022-12-02	2026-12-01	627,001	0.60	0.0513	100%
Ms Hester Larkin	2022-11-16	2023-12-02	2026-12-01	627,001	0.60	0.0513	0%
Ms Hester Larkin	2022-11-16	2024-12-02	2026-12-01	646,000	0.60	0.0513	0%
Dr Leila Alland	2022-11-16	2022-12-02	2026-12-01	627,001	0.60	0.0513	100%
Dr Leila Alland	2022-11-16	2023-12-02	2026-12-01	627,001	0.60	0.0513	0%
Dr Leila Alland	2022-11-16	2024-12-02	2026-12-01	646,000	0.60	0.0513	0%
Mr Vittorio Puppo	2022-07-01	2024-06-01	2027-06-01	1,666,500	0.60	0.1678	0%
Mr Vittorio Puppo	2022-07-01	2054-06-01	2027-06-01	833,500	0.60	0.1678	0%
Prof David Mozley	2022-07-01	2023-07-01	2027-07-01	2,172,821	0.17	0.1288	0%
Prof David Mozley	2022-07-01	2024-07-01	2027-07-01	2,172,821	0.17	0.1288	0%
Prof David Mozley	2022-07-01	2025-07-01	2027-07-01	2,173,473	0.17	0.1288	0%
Dr Thomas Tulip	2022-07-01	2023-07-01	2027-07-01	1,416,679	0.17	0.1288	0%
Dr Thomas Tulip	2022-07-01	2024-07-01	2027-07-01	1,416,679	0.17	0.1288	0%
Dr Thomas Tulip	2022-07-01	2025-07-01	2027-07-01	1,417,105	0.17	0.1288	0%
Mr Paul Hopper	2022-11-16	2023-07-01	2027-06-30	1,403,303	0.17	0.0833	0%
Mr Paul Hopper	2022-11-16	2024-07-01	2027-06-30	1,403,303	0.17	0.0833	0%
Mr Paul Hopper	2022-11-16	2025-07-01	2027-06-30	1,403,723	0.17	0.0833	0%
Mr Riccardo Canevari	2022-11-16	2023-07-01	2027-06-30	4,167,946	0.17	0.0833	0%
Mr Riccardo Canevari	2022-11-16	2024-07-01	2027-06-30	4,167,946	0.17	0.0833	0%
Mr Riccardo Canevari	2022-11-16	2025-07-01	2027-06-30	4,169,196	0.17	0.0833	0%
Mr Ian Turner	2022-11-16	2023-07-01	2027-06-30	550,448	0.17	0.0833	0%
Mr Ian Turner	2022-11-16	2024-07-01	2027-06-30	550,448	0.17	0.0833	0%
Mr Ian Turner	2022-11-16	2025-07-01	2027-06-30	550,614	0.17	0.0833	0%

The options vesting conditions are based on the achievement of service milestones, which are achieved if the holder remains with the company until the date is reached. There are no performance based milestones attached to any of the above options.

Audited Remuneration report (continued)

(h) Additional statutory information (continued)

(iii) Reconciliation of options, deferred shares and ordinary shares held by KMP

Share holdings

2023	Balance at the start of the year[1]	Granted as remuneration	Received on exercise of options	Other changes[2]	Balance at the end of the year[3]
Ordinary shares					
Mr Paul Hopper	90,650,000	-	-	3,571,428	94,221,428
Mr Riccardo Canevari	4,350,000	1,149,417	-	1,225,352	6,724,769
Dr Michael Baker	39,723	-	-	6,260	45,983
Mr Ian Turner	513,864	-	-	186,156	700,020
Ms Hester Larkin	66,114	-	-	-	66,114
Dr Leila Alland	-	-	-	-	-
Prof David Mozley	1,240,000	-	-	-	1,240,000
Mr Vittorio Puppo	-	-	-	-	-
Dr Thomas Tulip	1,000,000	-	-	-	1,000,000
	97,859,701	**1,149,417**	**-**	**4,989,196**	**103,998,314**

Notes

1. Balance may include shares held prior to individuals becoming KMP. For individuals who became KMP during the year, the balance is as at the date they became KMP.

2. Other changes incorporates changes resulting from the acquisition and disposal of shares.

3. For former KMP, the balance is as at the date they cease being KMP.

Audited Remuneration report (continued)

(h) Additional statutory information (continued)

(iii) Reconciliation of options, deferred shares and ordinary shares held by KMP (continued)

Option holdings

2023	Balance at start of the year[1]	Granted as remuneration	Exercised	Other changes[2]	Balance at end of the year[3]	Vested and exercisable
Options						
Mr Paul Hopper	-	4,210,329	-	3,571,428	7,781,757	3,571,428
Mr Riccardo Canevari	8,666,678	12,505,088	-	1,225,352	22,397,118	4,113,956
Dr Michael Baker	1,900,002	-	-	6,260	1,906,262	1,272,802
Mr Ian Turner	1,900,002	1,651,510	-	70,422	3,621,934	1,336,964
Ms Hester Larkin	1,900,002	-	-	-	1,900,002	627,001
Dr Leila Alland	1,900,002	-	-	-	1,900,002	627,001
Prof David Mozley	2,533,336	6,519,115	-	-	9,052,451	1,688,722
Mr Vittorio Puppo	2,500,000	-	-	-	2,500,000	-
Dr Thomas Tulip	2,533,336	4,250,463	-	-	6,783,799	1,688,722
	23,833,358	**29,136,505**	**-**	**4,873,462**	**57,843,325**	**14,926,596**

Notes

[1.] Balance may include shares held prior to individuals becoming KMP. For individuals who became KMP during the year, the balance is as at the date they became KMP.

[2.] Other changes incorporates changes resulting from the acquisition, disposal and lapse/forfeiture of options.

[3.] For former KMP, the balance is as at the date they cease being KMP.

[This concludes the remuneration report, which has been audited]

Shares under option

(a) Unissued ordinary shares

Unissued ordinary shares of Radiopharm Theranostics Limited under option at the date of this report are as follows:

Date options granted	Expiry date	Issue price of shares ($)	Number under option
2021-03-29	2025-11-25	0.60	1,900,002
2021-04-05	2025-11-25	0.60	1,900,002
2021-04-26	2025-11-25	0.60	1,900,002
2021-06-27	2026-11-25	0.60	2,533,336
2021-07-28	2026-11-25	0.60	2,533,336
2021-08-02	2026-11-25	0.60	8,666,678
2021-09-13	2024-11-25	0.90	13,680,012
2021-12-21	2025-12-21	0.60	400,000
2022-03-02	2027-05-27	0.60	740,000
2022-04-22	2027-06-01	0.60	2,500,000
2022-07-01	2027-07-01	0.17	13,137,976
2022-11-16	2026-12-01	0.60	3,800,004
2022-11-16	2027-06-30	0.17	18,366,927
2022-11-25	2026-11-30	0.20	79,352,040
2023-02-07*	2028-02-01	0.16	100,000
2023-05-18*	2028-05-18	0.20	200,000
Total			151,710,315

* Options subject to shareholder approval.

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

(b) Shares issued on the exercise of options

No ordinary shares of Radiopharm Theranostics Limited were issued from the exercise of options during the year ended 30 June 2023 (30 June 2022 nil).

Insurance of officers and indemnities

(a) Insurance of officers

During the financial year, Radiopharm Theranostics Limited has not paid a premium in respect of a contract to insure the directors and officers of the group against a liability to the extent permitted by *Corporations Act 2001.*

(b) Indemnity of auditors

The group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former auditor of the group against a liability incurred as such by an auditor.

Proceedings on behalf of the company

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

Proceedings on behalf of the company (continued)

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

Non-audit services

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

Details of the amounts paid or payable to the auditor (Grant Thornton Audit Pty Ltd Pty Ltd) for audit and non-audit services provided during the year are set out below.

The board of directors has considered the position and, in accordance with advice received from the audit & risk committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the audit & risk committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2023	2022
	$	$
Taxation services		
Grant Thornton Audit Pty Ltd:		
Tax compliance services	**9,270**	16,715
Total remuneration for taxation services	**9,270**	16,715
Other services		
Grant Thornton Audit Pty Ltd:		
Investigating accountant's report	**-**	42,685
Total remuneration for other services	**-**	42,685
Total remuneration for non-audit services	**9,270**	59,400

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 31.

Rounding of amounts

The group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest dollar.

This report is made in accordance with a resolution of directors.

Mr Paul Hopper
Executive Chairman

Sydney
31 August 2023

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Auditor's Independence Declaration

To the Directors of Radiopharm Theranostics Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Radiopharm Theranostics Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

Grant Thornton Audit Pty Ltd
Chartered Accountants

M A Cunningham
Partner – Audit & Assurance

Melbourne, 31 August 2023

Corporate governance statement

Radiopharm Theranostics Limited and the board are committed to achieving and demonstrating the highest standards of corporate governance. Radiopharm Theranostics Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2023 corporate governance statement is dated as at 30 June 2023 and reflects the corporate governance practices in place throughout the 2023 financial year. The 2023 corporate governance statement was approved by the board on 28 September 2023. A description of the group's current corporate governance practices is set out in the group's corporate governance statement which can be viewed at https://www.radiopharmtheranostics.com/investors

Radiopharm Theranostics Limited

ABN 57 647 877 889

Annual Report - 30 June 2023

This financial statements are consolidated financial statements for the group consisting of Radiopharm Theranostics Limited and its subsidiaries. A list of subsidiaries is included in note 12.

The financial statements are presented in the Australian currency.

Radiopharm Theranostics Limited is a company limited by shares, incorporated and domiciled in Australia.

Its registered office is:
Level 3, 62 Lygon Street
Carlton VIC 3053

Its principal place of business is:
Level 3, 62 Lygon Street
Carlton VIC 3053

The financial statements were authorised for issue by the directors on 31 August 2023. The directors have the power to amend and reissue the financial statements.

Radiopharm Theranostics Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Notes	**30 June 2023 $**	30 June 2022 $
Revenue from contracts with customers	2	**292,359**	-
Other income	3(a)	**6,062,519**	8,831
Other losses	3(b)	**(257,251)**	(1,109,520)
General and administrative expenses	3(c)	**(12,231,048)**	(7,637,884)
Research and development expenses	3(c)	**(25,315,790)**	(7,486,616)
Share-based payments expenses		**(3,037,887)**	(4,800,683)
Operating loss		**(34,487,098)**	(21,025,872)
Finance expenses		**(86,091)**	(9,349,739)
Loss before income tax		**(34,573,189)**	(30,375,611)
Income tax expense	4	**(38,005)**	(44,397)
Loss for the year		**(34,611,194)**	(30,420,008)
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		(728,250)	(19,043)
Total comprehensive loss for the year		**(35,339,444)**	(30,439,051)
Total comprehensive loss for the year is attributable to:			
Owners of Radiopharm Theranostics Limited		**(33,720,415)**	(30,400,965)
Non-controlling interests	12(b)	**(162,529)**	-
		(33,882,944)	(30,400,965)
		Cents	Cents
Loss per share for loss attributable to the ordinary equity holders of the group:			
Basic and diluted loss per share	19	**(11.32)**	(16.78)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Radiopharm Theranostics Limited
Consolidated statement of financial position
As at 30 June 2023

	Notes	**30 June 2023 $**	30 June 2022 $
ASSETS			
Current assets			
Cash and cash equivalents	5(a)	**11,699,066**	26,979,105
Trade and other receivables	5(b)	**4,467,908**	56,482
Other current assets		**133,130**	228,818
Total current assets		**16,300,104**	27,264,405
Non-current assets			
Property, plant and equipment		**68,330**	1,578
Intangible assets	6(a)	**58,541,234**	56,075,308
Other financial assets		**40,000**	40,000
Total non-current assets		**58,649,564**	56,116,886
Total assets		**74,949,668**	83,381,291
Current liabilities			
Trade and other payables	5(c)	**5,119,465**	2,153,318
Other financial liabilities	5(d)	**7,820,702**	5,632,168
Employee benefit obligations	6(b)	**289,030**	93,141
Total current liabilities		**13,229,197**	7,878,627
Non-current liabilities			
Trade and other payables	5(c)	**169,202**	152,447
Other financial liabilities	5(d)	**15,971,844**	12,387,498
Total non-current liabilities		**16,141,046**	12,539,945
Total liabilities		**29,370,243**	20,418,572
Net assets		**45,579,425**	62,962,719
EQUITY			
Share capital	7(a)	**97,230,329**	86,758,783
Other equity	7(c)	**2,146,566**	-
Other reserves	7(b)	**10,361,457**	7,109,134
Accumulated losses		**(65,353,864)**	(30,905,198)
Non-controlling interests	12(b)	**1,194,937**	-
Total equity		**45,579,425**	62,962,719

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Radiopharm Theranostics Limited
Consolidated statement of changes in equity
For the year ended 30 June 2023

	Notes	Attributable to owners of Radiopharm Theranostics Limited				Non-controlling interests	Total equity
		Share capital $	Other equity $	Other reserves $	Accumulated losses $	$	$
Balance at 1 July 2021		1,000	-	359,487	(485,190)	-	(124,703)
Loss for the year		-	-	-	(30,420,008)	-	(30,420,008)
Other comprehensive income		-	-	(19,043)	-	-	(19,043)
Total comprehensive income/(loss) for the year		**-**	**-**	**(19,043)**	**(30,420,008)**	**-**	**(30,439,051)**
Transactions with owners in their capacity as owners:							
Contributions of equity net of transaction costs	7(a)	43,958,325	-	-	-	-	43,958,325
Issue of options	7(b)	-	-	6,194,825	-	-	6,194,825
Equity-settled payments		-	-	573,865	-	-	573,865
Conversion of convertible notes		26,666,667	-	-	-	-	26,666,667
Issue of shares as part of licence acquisition		16,028,683	-	-	-	-	16,028,683
Issue of shares under the employee incentive scheme		104,108	-	-	-	-	104,108
		86,757,783	-	6,768,690	-	-	93,526,473
Balance at 30 June 2022		**86,758,783**	**-**	**7,109,134**	**(30,905,198)**	**-**	**62,962,719**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

	Notes	Attributable to owners of Radiopharm Theranostics Limited					
		Share capital $	**Other equity $**	**Other reserves $**	**Accumulated losses $**	**Non-controlling interests $**	**Total equity $**
Balance at 1 July 2022		86,758,783	-	7,109,134	(30,905,198)	-	62,962,719
Loss for the year		-	-	-	(34,448,666)	(162,529)	(34,611,195)
Other comprehensive income		-	-	(728,250)	-	-	(728,250)
Total comprehensive income/(loss) for the year		**-**	**-**	**(728,250)**	**(34,448,666)**	**(162,529)**	**(35,339,445)**
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs and tax	7(a)	8,742,942	-	-	-	-	8,742,942
Non-controlling interest investment in Radiopharm Ventures, LLC		-	-	-	-	1,357,466	1,357,466
Issue of options	7(b)	-	-	4,224,437	-	-	4,224,437
Equity-settled payments	7(b)	196,550	-	(107,410)	-	-	89,140
Issue of shares as part of licence acquisition	7	1,482,360	2,146,566	-	-	-	3,628,926
Issue of shares under the employee incentive scheme	7(a)	49,694	-	-	-	-	49,694
Options forfeited	7(b)	-	-	(136,454)	-	-	(136,454)
		10,471,546	2,146,566	3,980,573	-	1,357,466	17,956,151
Balance at 30 June 2023		**97,230,329**	**2,146,566**	**10,361,457**	**(65,353,864)**	**1,194,937**	**45,579,425**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Radiopharm Theranostics Limited
Consolidated statement of cash flows
For the year ended 30 June 2023

	Notes	**30 June 2023** **$**	30 June 2022 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**292,359**	-
Payments to suppliers and employees (inclusive of GST)		**(25,194,388)**	(9,915,654)
Interest received		**145,035**	8,831
Research and development tax incentive received		**1,555,196**	-
Net cash (outflow) from operating activities	8(a)	**(23,201,798)**	(9,906,823)
Cash flows from investing activities			
Payments for property, plant and equipment		**(45,306)**	(2,749)
Payments for intellectual property		**(1,485,375)**	(28,335,901)
Payments for financial assets at amortised cost		**-**	(40,000)
Net cash (outflow) from investing activities		**(1,530,681)**	(28,378,650)
Cash flows from financing activities			
Proceeds from issues of shares		**10,072,555**	70,000,000
Share issue transaction costs		**(854,764)**	(4,830,886)
Proceeds from borrowings		**-**	10,000
Repayment of borrowings		**-**	(69,000)
Net cash inflow from financing activities		**9,217,791**	65,110,114
Net (decrease)/increase in cash and cash equivalents		**(15,514,688)**	26,824,641
Cash and cash equivalents at the beginning of the year		**26,979,105**	27,091
Effects of exchange rate changes on cash and cash equivalents		**234,649**	127,373
Cash and cash equivalents at end of the year	5(a)	**11,699,066**	26,979,105

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the financial statements

1 Segment information

Management has determined, based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions, that the group has one reportable segment being the research, development and commercialisation of health technologies. The segment details are therefore fully reflected in the body of the financial report.

2 Revenue from contract with customers

	30 June 2023 $	30 June 2022 $
Revenue from contracts with customers	**292,359**	-
Total revenue from continuing operations	**292,359**	-

(a) Accounting policies

Revenues arise from contractual agreements with universities. To determine whether to recognise revenue, the group follows the process of identifying the contract with a customer, identifying the performance obligations, determining the transaction price, allocating the transaction price to the performance obligation and recognising revenue when performance obligations are satisfied.

Revenues is recognised when or as the group transfers control of the assets to the customer.

3 Other income and expense items

(a) Other income

	30 June 2023 $	30 June 2022 $
Interest	**145,035**	8,831
Research and Development tax incentive	**5,917,484**	-
	6,062,519	8,831

(i) R&D tax incentive

The group's research and development activities are eligible under an Australian government tax incentive for eligible expenditure. Where expenditure is incurred outside of Australia, an 'overseas finding' must be obtained from AusIndustry prior to any such expenditure being eligible under the scheme. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Amounts are recognised when it has been established that the conditions of the tax incentive have been met and that the expected amount can be reliably measured. For the year ended 30 June 2023, the group has included an item in other income of $5,917,484 (2022: nil) to recognise income over the period necessary to match the grant on a systematic basis with the costs that they are intended to compensate. The $5,917,484 recognised at 30 June 2023 includes $1,555,235 relating to the prior years rebate. The funds were only received in the current year and eligibility to receive the rebate for this expenditure was less than certain prior to this as the overseas findings for program was not received until the current year.

3 Other income and expense items (continued)

(b) Other losses

	30 June 2023 $	30 June 2022 $
Net foreign exchange losses	**(257,251)**	(1,109,520)
	(257,251)	(1,109,520)

(c) Breakdown of expenses by nature

	Notes	**30 June 2023 $**	30 June 2022 $
General and administrative expenses			
Accounting and audit		**1,205,015**	534,165
Consulting		**1,117,981**	691,083
Depreciation		**6,553**	1,171
Employee benefits		**6,149,314**	4,441,848
Insurance		**685,413**	253,687
Investor relations		**565,032**	262,642
Legal		**959,258**	364,232
Listing and share registry		**164,116**	208,083
Patent costs		**205,709**	182,318
Travel and entertainment		**648,532**	379,005
Other		**524,125**	319,650
		12,231,048	7,637,884
Research and development			
Amortisation		**3,289,979**	2,980,313
AVb6 Integrin (TRIMT)		**3,735,540**	1,920,558
Consulting Fees R&D		**2,441,106**	381,551
hu PSA Anti-body (Diaprost)		**1,571,795**	82,533
Impairment	6(a)(viii)	**3,100,000**	-
R&D Ventures		**324,888**	-
NanoMab		**6,090,209**	1,971,037
Neoindicate		**538,906**	-
Pharma15		**10,724**	90,906
Pivalate - Imperial		**1,195,120**	-
UCLA		**333,242**	59,718
Fair value movement in contingent consideration	5(e)(i)	**2,684,281**	-
		25,315,790	7,486,616

The categories shown here align with the intellectual property held by the group as disclosed in note 6 and represents the amount of R&D expended on developing the respective intellectual property.

4 Income tax expense

(a) Australian tax expense

(i) Numerical reconciliation of income tax expense to prima facie tax payable

	30 June 2023 $	30 June 2022 $
Loss from continuing operations before income tax expense	**(34,199,019)**	(28,406,113)
Tax at the Australian tax rate of 25% (2022: 25%)	**(8,549,755)**	(7,101,528)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Research and Development tax incentive	**(1,479,371)**	-
Accounting expenditure subject to R&D tax incentive	**3,400,853**	-
Accrued expenses	**157,681**	166,382
Employee leave obligations	**3,466**	(191)
Patent costs	**51,427**	45,580
Share-based payments	**759,472**	1,200,171
Unrealised currency movements	**86,276**	(31,843)
Subtotal	**2,979,804**	1,380,099
Tax losses and other timing differences for which no deferred tax asset is recognised	**5,569,951**	5,721,429
Income tax expense	**-**	-

(ii) Tax losses

	30 June 2023 $	30 June 2022 $
Unused tax losses for which no deferred tax asset has been recognised	**45,242,455**	22,962,651
Potential tax benefit at 25% (2022: 25%)	**11,310,614**	5,740,663

4 Income tax expense (continued)

(b) US tax expense

(i) Income tax expense

	30 June 2023 $	30 June 2022 $
Current tax		
Current tax on profits for the year	**38,005**	44,397
Total current tax expense	**38,005**	44,397
Income tax expense	**38,005**	44,397

(ii) Numerical reconciliation of income tax expense to prima facie tax payable

	30 June 2023 $	30 June 2022 $
Loss from continuing operations before income tax expense	**(374,170)**	(1,969,498)
Tax at the US tax rate of 27.5% (2022: 27.5%)	**(102,897)**	(541,612)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Accrued expenses	**52,578**	12,854
Employee leave obligations	**48,373**	24,330
Subtotal	**100,951**	37,184
Tax losses and other timing differences for which no deferred tax asset is recognised	**39,951**	548,825
Income tax expense	**38,005**	44,397

(iii) Tax losses

	30 June 2023 $	30 June 2022 $
Unused tax losses for which no deferred tax asset has been recognised	**2,141,003**	1,995,727
Potential tax benefit at 27.5% (2022: 27.5%)	**588,776**	548,825

5 Financial assets and financial liabilities

(a) Cash and cash equivalents

	30 June 2023 $	30 June 2022 $
Current assets		
Cash at bank and on hand	**11,699,066**	26,979,105
	11,699,066	26,979,105

(i) Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the consolidated statement of cash flows at the end of the financial year and period, respectively, as follows:

	30 June 2023 $	30 June 2022 $
Balances as above	**11,699,066**	26,979,105
Balances per statement of cash flows	**11,699,066**	26,979,105

(ii) Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest. See note 21(h) for the group's other accounting policies on cash and cash equivalents.

(iii) Risk exposure

The group's exposure to interest rate risk is discussed in note 10. The maximum exposure to credit risk at the end of the reporting year is the carrying amount of each class of cash and cash equivalents mentioned above.

5 Financial assets and financial liabilities (continued)

(b) Trade and other receivables

	30 June 2023			30 June 2022		
	Current $	**Non-current $**	**Total $**	Current $	Non-current $	Total $
Trade receivables	**104,708**	**-**	**104,708**	56,409	-	56,409
Accrued receivables (i)	**4,362,249**	**-**	**4,362,249**	-	-	-
Other receivables	**951**	**-**	**951**	73	-	73
	4,467,908	**-**	**4,467,908**	56,482	-	56,482

(i) Accrued receivables

Accrued receivables comprise $4,362,249 from the Australian Taxation Office in relation to the R&D tax incentive (30 June 2022: nil).

(c) Trade and other payables

		30 June 2023			30 June 2022		
	Notes	**Current $**	**Non-current $**	**Total $**	Current $	Non-current $	Total $
Trade payables		**2,956,528**	**-**	**2,956,528**	1,189,640	-	1,189,640
Amounts due to employees	16(b)	**252,457**	**169,202**	**421,659**	185,244	152,447	337,691
Accrued expenses		**1,568,189**	**-**	**1,568,189**	746,269	-	746,269
Other payables		**342,291**	**-**	**342,291**	32,165	-	32,165
		5,119,465	**169,202**	**5,288,667**	2,153,318	152,447	2,305,765

(d) Other financial liabilities

	30 June 2023			30 June 2022		
	Current $	**Non-current $**	**Total $**	Current $	Non-current $	Total $
Diaprost contingent consideration	**-**	**9,308,273**	**9,308,273**	-	7,592,929	7,592,929
NanoMab contingent consideration*	**2,942,587**	**938,163**	**3,880,750**	5,588,620	-	5,588,620
NeoIndicate contingent consideration	**22,075**	**256,209**	**278,284**	-	144,207	144,207
NeoIndicate deferred consideration	**40,379**	**-**	**40,379**	43,548	-	43,548
Pivalate contingent consideration	**532,824**	**566,910**	**1,099,734**	-	-	-
Pharma15 deferred consideration	**1,403,456**	**-**	**1,403,456**	-	-	-
Pharma15 contingent consideration	**-**	**950,008**	**950,008**	-	-	-
TRIMT contingent consideration	**2,879,381**	**3,874,918**	**6,754,299**	-	4,650,362	4,650,362
UCLA contingent consideration	**-**	**77,363**	**77,363**	-	-	-
	7,820,702	**15,971,844**	**23,792,546**	5,632,168	12,387,498	18,019,666

5 Financial assets and financial liabilities (continued)

(d) Other financial liabilities (continued)

* Payment to be made in the form of ordinary shares in the company, based on the price of the 7 day volume weighted average price (VWAP) prior to the announcement of the milestone on the ASX.

Deferred consideration includes amounts related to the provision of upfront license fees to NeoIndicate and Pharma 15. The contingent consideration includes amounts related to the provision of milestone payments. For more information, please refer to note 13.

5 Financial assets and financial liabilities (continued)

(e) Recognised fair value measurements

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements **At 30 June 2023**	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial Liabilities				
NanoMab contingent consideration	**-**	**-**	**3,880,750**	**3,880,750**
Diaprost contingent consideration	**-**	**-**	**9,308,273**	**9,308,273**
TRIMT contingent consideration	**-**	**-**	**6,754,299**	**6,754,299**
Pivalate contingent consideration	**-**	**-**	**1,099,734**	**1,099,734**
NeoIndicate contingent consideration	**-**	**-**	**318,664**	**318,664**
Pharma15 contingent consideration	**-**	**-**	**950,008**	**950,008**
UCLA contingent consideration	**-**	**-**	**77,363**	**77,363**
Total financial liabilities	**-**	**-**	**22,389,091**	**22,389,091**

Recurring fair value measurements At 30 June 2022	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial Liabilities				
NanoMab contingent consideration	-	-	5,588,620	5,588,620
Diaprost contingent consideration	-	-	7,592,929	7,592,929
TRIMT contingent consideration	-	-	4,650,362	4,650,362
NeoIndicate contingent consideration	-	-	144,207	144,207
Total financial liabilities	-	-	17,976,118	17,976,118

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting year. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Contingent consideration

The fair value of contingent consideration relating to the acquisition of licences is estimated using a present value technique which discounts the management's estimate of the probability that the milestone will be achieved. For more information refer to note 13 and note 9.

The discount rate used at 30 June 2023 was 6.85% (2022: 4.52%). The discount rate is based on the expected rate of return, which has been determined using the capital asset pricing model.

6 Non-financial assets and liabilities

(a) Intangible assets

	AVb6 Integrin $	hu PSA Anti-body $	NanoMab $	MAb $	Pharma 15 $	Pivalate $	Other Intellectual Property $	Total $
Year ended 30 June 2022								
Additions	17,691,796	16,212,081	24,354,566	-	47,254	336,055	413,869	59,055,621
Amortisation charge	(854,020)	(892,683)	(1,188,353)	-	-	(42,210)	(3,047)	(2,980,313)
Closing net book amount	16,837,776	15,319,398	23,166,213	-	47,254	293,845	410,822	56,075,308
At 30 June 2022								
Cost	17,691,796	16,212,081	24,354,566	-	47,254	336,055	413,869	59,055,621
Accumulated amortisation and impairment	(854,020)	(892,683)	(1,188,353)	-	-	(42,210)	(3,047)	(2,980,313)
Net book amount	16,837,776	15,319,398	23,166,213	-	47,254	293,845	410,822	56,075,308

6 Non-financial assets and liabilities (continued)

(a) Intangible assets (continued)

	AVb6 Integrin $	hu PSA Anti-body $	NanoMab $	MAb $	Pharma 15 $	Pivalate $	Other Intellectual Property $	Total $
Year ended 30 June 2023								
Opening net book amount	16,837,776	15,319,398	23,166,213	-	47,254	293,845	410,822	56,075,308
Additions	-	-	688,193	1,357,466	6,810,246	-	-	8,855,905
Impairment charge	-	(3,100,000)	-	-	-	-	-	(3,100,000)
Amortisation charge	(885,560)	(1,093,387)	(1,286,404)	-	-	(316)	(24,312)	(3,289,979)
Closing net book amount	15,952,216	11,126,011	22,568,002	1,357,466	6,857,500	293,529	386,510	58,541,234
At 30 June 2023								
Cost	17,691,796	16,212,081	25,042,759	1,357,466	6,857,500	336,055	413,869	67,911,526
Accumulated amortisation and impairment	(1,739,580)	(5,086,070)	(2,474,757)	-	-	(42,526)	(27,359)	(9,370,292)
Net book amount	15,952,216	11,126,011	22,568,002	1,357,466	6,857,500	293,529	386,510	58,541,234

6 Non-financial assets and liabilities (continued)

(a) Intangible assets (continued)

The group's intellectual property is measured at initial cost, less any accumulated amortisation and impairment losses.

(i) AVb6 Integrin

The group has recognised the Intellectual Property “AVb6 Integrin” through the acquisition of a license developed at TRIMT GmbH (TRIMT), a world-renowned independent research and treatment centre specialising in cancer, based in Radeberg, Germany.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to the upfront licenses fee paid in respect of the license agreement, value of equity issued to the licensor and contingent consideration. The contingent consideration arrangements require the group to pay the licensor at the completion of each milestone per the license agreements. The fair value of the contingent considerations was probability-adjusted based on the directors' assumptions, 70% probability of completing the first therapeutic milestone (milestone 3). Other milestones were deemed uncertain as per managements assessment.

AVb6 Integrin is amortised over a period of 20 years, being management's assessed useful life of the intangible asset.

(ii) hu PSA Anti-body

The group has recognised the Intellectual Property “hu PSA Anti-body” through the acquisition exclusive license developed at Diaprost AB (Diaprost), a world-renowned independent research and treatment centre specialising in prostate cancer, based in Lund, Sweden.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to the upfront licenses fee paid in respect of the license agreement and contingent consideration. The contingent consideration arrangements require the group to pay the licensor at the completion of each milestone per the license agreements. The fair value of the contingent considerations was probability-adjusted based on the directors' assumptions, 70% probability of completing milestones 1 and 2.

hu PSA Anti-body is amortised over a period of 15 years, being management's assessed useful life of the intangible asset.

(iii) NanoMab

The board has recognised the Intellectual Property “NanoMab” through the acquisition of a license developed at NanoMab Technology Limited, a world-renowned independent biopharmaceutical company focusing on cancer precision therapies through radiopharmaceuticals, based in Hong Kong.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to the upfront licenses fee paid in respect of the license agreement, value of equity issued to the licensor and contingent consideration. The contingent consideration arrangements require the group to pay the licensor at the completion of each milestone per the license agreements. The fair value of the contingent consideration on licence acquisition was probability-adjusted based on the directors assumptions, 70% probability of completing milestone 1.

NanoMab is amortised over a period of 20 years, being management's assessed useful life of the intangible asset.

6 Non-financial assets and liabilities (continued)

(a) Intangible assets (continued)

(iv) MAb

The group has recognised the Intellectual Property “MAb” through Radiopharm Ventures, LLC, a joint venture between Radiopharm Theranostics (USA), Inc and The Board of Regents of the University of Texas System and the MD Anderson Cancer Center.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to MD Anderson's investment in Radiopharm Ventures, LLC. At the end of the reporting year management deemed the asset is not ready for use, thus no amortisation has been deducted from it.

(v) Pharma15

The group has recognised the Intellectual Property “Pharma15” through the acquisition of Pharma15 Corporation. It is the board's expectation that it will generate future economic benefits for the group. The amounts currently recognised are the upfront consideration paid to shareholders, deferred consideration to be paid one year after acquisition and contingent consideration. At the end of the reporting year management deemed the asset is not ready for use, thus no amortisation has been deducted from it.

(vi) Pivalate

The group has recognised the Intellectual Property “Pivalate” through the acquisition of a license developed at Cancer Research Technologies Limited (CRT), a world-renowned independent research and treatment centre for cancer, based in London, United Kingdom.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to the upfront licenses fee paid in respect of the license agreement and contingent consideration. The contingent consideration arrangements require the group to pay the licensor at the completion of each milestone per the license agreements.

Pivalate is amortised over a period of 15 years, being management's assessed useful life of the intangible asset.

(vii) Other intellectual property

Other intellectual property includes the following IP acquired by the group.

NeoIndicate

The group has recognised the Intellectual Property “NeoIndicate” through the acquisition of a sublicence developed at NeoIndicate LLC, a private research university based in Ohio.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to the upfront licences fee paid in respect of the licence agreement and contingent consideration. The contingent consideration arrangements require the group to pay the licensor at the completion of each milestone per the licence agreements.

NeoIndicate is amortised over a period of 16 years, being management's assessed useful life of the intangible asset.

UCLA

The group has recognised the Intellectual Property “UCLA” through the acquisition of a license developed at The Regents of the University of California, a university based in California.

It is the board's expectation that the acquired intellectual property will generate future economic benefits for the group. The amounts recognised as intangible assets relate to the upfront licenses fee paid in respect of the license agreement and contingent consideration.

UCLA is amortised over a period of 19 years, being management's assessed useful life of the intangible asset.

6 Non-financial assets and liabilities (continued)

(a) Intangible assets (continued)

(viii) Impairment test for intellectual property

Radiopharm holds specific intangible assets which are not yet available for use, or which while available for use, have not yet obtained regulatory and licensing approval for commercialisation and marketing of the products. As the assets are not capable of generating independent cash inflows, they are required to be allocated to a cash-generating unit, being the smallest identifiable group of assets which generates cash inflows that are largely independent of the cash inflows from others in the group. However, as the business does not generate cash inflows, and there is no 'cost' for the cash-generating unit, assets are tested for impairment at the asset level, to ensure that individual assets are not impaired below their fair value less costs of disposal. Consequently, management consider it appropriate to consider the fair value of each asset individually when assessing whether impairment is measured. As a result, the recoverable value of each individual asset is to be determined.

The group identified impairment indicators at 30 June 2023 and completed an assessment to identify the recoverable amount under the replacement cost approach. The assessment took into consideration internal and external costs incurred, wastage or inefficiency costs, obsolescence and disposal costs. It was identified for all assets except huPSA Antibody that the recoverable amount under this assessment was higher than the carrying amount of the asset thus no impairment was required. However, as huPSA Antibody recoverable amount was less than the carrying amount under this assessment, $3,100,000 was impaired from the asset. Pharma15 and mAb were assessed for impairment, however due to the proximity of the acquisition dates to the reporting date, the carrying amount approximates their fair value and they are not impaired.

See note 21(l) for the other accounting policies relevant to intangible assets, and note 21(g) for the group's policy regarding impairments.

(b) Employee benefit obligations

	30 June 2023			30 June 2022		
	Current $	**Non-current $**	**Total $**	Current $	Non-current $	Total $
Leave obligations (i)	**289,030**	**-**	**289,030**	93,141	-	93,141

(i) Leave obligations

The leave obligations cover the group's liabilities for annual leave which are classified as either other long-term benefits or short-term benefits, as explained in note 21(n).

The current portion of this liability includes all of the accrued annual leave and pro-rata payments employees are entitled to in certain circumstances. The entire amount of the provision of $289,030 (2022: $93,141) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

7 Equity

(a) Share capital

	Notes	**30 June 2023 Shares**	30 June 2022 Shares	**30 June 2023 $**	30 June 2022 $
Ordinary shares					
Ordinary Shares Fully paid		**339,313,037**	255,433,248	**97,230,329**	86,758,783
	7(a)(i)	**339,313,037**	255,433,248	**97,230,329**	86,758,783

(i) Movements in ordinary shares:

Details	**Notes**	**Number of shares**	**Total $**
Balance at 1 July 2021		**1,000**	**1,000**
Share split (2021-08-10)		99,999,000	-
Shares issued at $0.60 for licence acquisitions (2021-11-18)	7(a)(ii)	25,555,555	15,333,333
Issue at $0.45 on conversion of convertible notes (2021-11-16)		44,444,669	26,666,667
Issue at $0.60 at initial public offering (2021-11-25)		83,333,333	50,000,000
Shares issued at $0.361 licence acquisitions (2022-01-27)	7(a)(ii)	1,926,177	695,350
Shares issued at $0.60 employee incentive scheme (2022-05-27)		173,514	104,108
Less: Transaction costs arising on share issues		-	(6,041,675)
Balance at 30 June 2022		**255,433,248**	**86,758,783**
Issue at $0.14 pursuant to institutional entitlement offer (2022-10-25)		39,878,805	5,583,033
Issue of forfeiture shares at $0.171 (2022-10-26)		1,149,417	196,550
Issue at $0.14 pursuant to rights issue (2022-11-25)		32,073,235	4,490,253
Issue at $0.143 upon Pharma15 acquisition (2023-03-03)	7(a)(ii)	10,412,934	1,482,360
Issue at $0.136 under employee incentive scheme (2023-04-28)		365,398	49,694
Less: Transaction costs arising on share issues		-	(1,330,344)
Balance 30 June 2023		**339,313,037**	**97,230,329**

(ii) Shares issued on acquisition of licence

The share price for shares issued for the acquisition of the licence were calculated by referencing to the IPO price and adjusted for uncertainty at the time of license acquisition date.

7 Equity (continued)

(b) Other reserves

The following table shows a breakdown of the statement of financial position line item 'other reserves' and the movements in these reserves during the year and period, respectively. A description of the nature and purpose of each reserve is provided below the table.

	Notes	Share- based payments $	Equity settled payments $	Foreign currency translation $	Total other reserves $
At 1 July 2021		**359,487**	**-**	**-**	**359,487**
Currency translation differences		-	-	(19,043)	(19,043)
Other comprehensive loss		-	-	(19,043)	(19,043)
Transactions with owners in their capacity as owners					
Issue of shares as part of forfeiture payments		-	573,865	-	573,865
Issue of options	7(b)(ii)	6,194,825	-	-	6,194,825
At 30 June 2022		**6,554,312**	**573,865**	**(19,043)**	**7,109,134**
At 1 July 2022		**6,554,312**	**573,865**	**(19,043)**	**7,109,134**
Currency translation differences		-	-	(728,250)	(728,250)
Other comprehensive loss		-	-	(728,250)	(728,250)
Transactions with owners in their capacity as owners					
Issue of options under employee share schemes		-	(136,454)	-	(136,454)
Issue of shares as part of forfeiture payments		-	(107,410)	-	(107,410)
Issue of options	7(b)(ii)	4,224,437	-	-	4,224,437
At 30 June 2023		**10,778,749**	**330,001**	**(747,293)**	**10,361,457**

(i) Nature and purpose of other reserves

Share-based payments

The share-based payment reserve records items recognised as expenses on valuation of share options issued to key management personnel, other employees and and eligible contractors.

Foreign currency translations

Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income or loss as described in note 21(d) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Equity settled payments

Equity settled payments reserve records items recognised as expenses on valuation of shares to be issued to key management personnel and other employees for forfeiture of long term incentives at previous employers.

7 Equity (continued)

(b) Other reserves (continued)

(ii) Movements in options:

Details	Number of options	Total $
Balance at 1 July 2021	**8,233,342**	**359,487**
Issue of Employee Stock Ownership Plan (ESOP) unlisted options	19,640,018	2,067,788
Issue of unlisted options	13,680,012	2,767,466
Expense for share-based payments for options previously issued	-	1,359,571
Balance at 30 June 2022	**41,553,372**	**6,554,312**
Issue of ESOP unlisted options	32,804,903	1,859,699
Issue of listed options	79,352,040	493,580
Expense for share-based payments for options previously issued	-	1,871,158
Forfeiture of ESOP unlisted options	(2,000,000)	(136,454)
Balance at 30 June 2023	**151,710,315**	**10,642,295**

(c) Other equity

	30 June 2023 $	30 June 2022 $
Deferred issue of equity	**1,297,022**	-
Contingent issue of equity	**849,544**	-
	2,146,566	-

Contingent issue of equity includes amounts related to the value of consideration shares to be issued to the Pharma15 shareholders once certain milestones are met as per their agreement. The deferred issue of equity relates to the second tranche of the upfront fee to be issued to Pharma15 shareholders 1 year from the date of acquisition. For more information, please refer to note 13(h).

8 Cash flow information

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	30 June 2023 $	30 June 2022 $
Loss for the year	**(34,611,194)**	(30,420,008)
Adjustments for		
Depreciation and amortisation	**3,296,532**	2,981,484
Finance costs	**86,091**	9,349,746
Leave provision	**189,766**	-
Share-based payments	**3,037,887**	4,800,683
Net foreign currency (gains)/losses	**850,280**	1,128,563
Change in operating assets and liabilities:		
Movement in trade receivables	**1,506,019**	(50,135)
Movement in other current assets	**95,688**	(228,818)
Movement in trade payables	**2,347,133**	2,531,662
Net cash outflow from operating activities	**(23,201,798)**	(9,906,823)

(b) Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- options issued for no cash consideration - note 17.
- acquisition of Pharma 15 - note 13(h).

9 Critical estimates, judgements and errors

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong due to changes in estimates and judgements. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The areas involving judgement or estimation are detailed below.

(a) Judgements

(i) Impairment

The group's intangible assets are assessed for impairment at each reporting period.

Management has considered the following potential indicators:

- The market capitalisation of Radiopharm Theranostics Limited on the Australian Securities Exchange on the impairment testing date of 30 June 2023 in excess of the net book value of assets;
- The scientific results and progress of the trials;
- Comparisons with companies in a similar field of development and similar stage; and
- Changes in growth of the biotech sector.

9 Critical estimates, judgements and errors (continued)

(a) Judgements (continued)

(i) Impairment (continued)

Management have identified an indicator of impairment in the current year and has completed further testing as detailed in note 6(a)(viii).

(ii) Pharma15 - ready for use

Management assesses the Pharma15 asset at each reporting period to determine if it is ready for use.

Management has considered the following indicators:

- Progression of the research and development programs;
- Application for patents and the life of the patents;

Management have determined that as there are currently no patents for the asset, it is not ready for use.

(iii) MAb

Management assesses the MAb asset at each reporting period to determine if it is ready for use.

Management has considered the following indicators:

- Progression of the research and development programs;
- Application for patents and the life of the patents;

Management have determined that as there are currently no patents for the asset, it is not ready for use.

(iv) Joint venture

As set out in note 12(b), Radiopharm established a joint venture in the year, Radiopharm Ventures LLC, with MD Anderson. Radiopharm has 51% ownership of the joint venture. Under the agreement, based on the structure and substance of the agreement, management have assessed there to be 'control' by Radiopharm in the joint venture, based on the governance structure of the joint venture, the split of voting rights, and the assessment of the rights (substantive or protective) held by Radiopharm and MD Anderson.

On the basis that management have assessed there to be control, the joint venture has been consolidated in these financial statements.

Based on the structure and substance of the Joint Venture, management has assessed there to be Joint Control between Radiopharm and MD Anderson at the year ended 30 June 2023.

(v) Acquisition of Pharma15

During the year, the group acquired Pharma15. Management assessed at the date of acquisition whether the acquisition represented a business combination under AASB 3 - Business Combinations. On the basis that Pharma15 did not have outputs and the processes acquired were not substantive in nature, management concluded that a business was not acquired, consequently accounting for the acquisition as an asset acquisition.

(b) Estimates

(i) R&D tax incentive income accrual

The group's research and development (R&D) activities are eligible under an Australian government tax incentive for eligible expenditure. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Amounts are recognised when it has been established that the conditions of the tax incentive have been met and that the expected amount can be reliably measured.

Judgement is applied to each transaction the group incurs each financial year, by determining a percentage of each transaction that relates to R&D.

R&D income is determined using eligibility criteria and percentages of eligibility estimated by management. These estimated eligibility percentages determine the base for which the R&D tax rebate is calculation and therefore is subject to a degree uncertainty.

9 Critical estimates, judgements and errors (continued)

(b) Estimates (continued)

(ii) Useful life of intangible assets

Management have assessed that “ready for use” for the group is not the commercialisation of an intangible asset but rather the goal to develop intangible assets to a point that a trade sale of a licence is more likely. They have concluded that all intangible asset's, excluding MAb and Pharma 15, are "ready for use" and have applied judgement over the period which each asset is expected to be available for use by the entity.

The life of the asset is indeterminate at this stage of development. The maximum life in which the group has control of the intangible asset can be determined by the length of legal protection of the intellectual property (IP) covered by the patent life over the IP. The life of an asset is determined by reference to that IP protection, subject to reassessment each year, taking into consideration changing expectations about possible timing of trade sale of a licence.

The useful life is determined using the expiry date of the last patent to expire. These dates determine the life of the IP and therefore is subject to a degree uncertainty.

(iii) Share-based payments

The assessed fair value of options at grant date was determined using the Black-Scholes option pricing model that takes into account the exercise price, term of the option, security price at grant date and expected price volatility of the underlying security, the expected dividend yield, the risk-free interest rate for the term of the security and certain probability assumptions.

This model requires the following inputs which involve judgements to be made:

- Volatility rate is calculated by analysing the movement of the closing share price each day for the term of the option preceding grant date; and
- Risk-free rate is obtained by referencing to the Capital Market Yields for Government Bonds supplied by the RBA . The rate is selected by determining what the rate is at the date the options are granted to the holder. Additionally, there are different rates supplied by the RBA each day dependent on the terms of the bond (2, 3, 5, 10 years). The term of the option will determine which rate is used (i.e. a 5 year term will use the 5 year bond rate). If an options term is between two terms for example 4 years, the rate that is used is that of the lower term i.e. the 3 year bond rate.

These inputs determine the value of each share-based payment and therefore it is subject to a degree of uncertainty.

(iv) Contingent consideration

The fair value of the group’s contingent consideration relating to the acquisition of licences is estimated using a present value technique which discounts the management's estimate of the probability that the milestone will be achieved. Management's assessment of the probability is based on their experience and considering industry information on clinical trial success rates and related parameters.

At the end of the reporting year, the group has applied judgement to multiple milestones detailed in note 13.

The discount rate used at 30 June 2023 was 6.85% (2022: 4.52%). The discount rate is based on the expected rate of return, which has been determined using the capital asset pricing model.

The timeframe for discounting varies depending on the milestone, and is aligned with industry information on the length of time taken to conduct oncological clinical trials.

The probability assigned to each milestone determines the value of the consideration and therefore is subject to a degree uncertainty.

The fair value of contingent consideration is sensitive to changes in the probability of clinical trial success and the timeframe for completion of those clinical trials. These sensitivities are interdependent. A 1% change in the probability of clinical trial success or a 1 year reduction in the timeframe for completion of clinical trials would have a material impact on the fair value of contingent consideration.

10 Financial risk management

This note explains the group's exposure to financial risks and how these risks could affect the group's future financial performance.

The group's risk management is predominantly controlled by the board. The board monitors the group's financial risk management policies and exposures and approves substantial financial transactions. It also reviews the effectiveness of internal controls relating to market risk, credit risk and liquidity risk.

(a) Market risk

(i) Foreign exchange risk

The group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange rate risk arises from financial assets and financial liabilities denominated in a currency that is not the group's functional currency. Exposure to foreign currency risk may result in the fair value of future cash flows of a financial instrument fluctuating due to the movement in foreign exchange rates of currencies in which the group holds financial instruments which are other than the Australian dollar (AUD) functional currency of the group. This risk is measured using sensitivity analysis and cash flow forecasting. The cost of hedging at this time outweighs any benefits that may be obtained.

Exposure

The group's exposure to foreign currency risk at the end of the reporting year and period, respectively, expressed in Australian dollar, was as follows:

	30 June 2023		30 June 2022	
	USD	**EUR**	USD	EUR
	$	**$**	$	$
Cash and cash equivalents	**3,175,318**	**-**	2,871,338	-
Trade payables	**1,917,216**	**729,964**	438,584	570,688
Total exposure	**5,092,534**	**729,964**	**3,309,922**	**570,688**

Sensitivity

As shown in the table above, the group is primarily exposed to changes in (United States dollar) USD/AUD exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from USD denominated financial instruments.

The group has conducted a sensitivity analysis of its exposure to foreign currency risk. The group is currently materially exposed to the USD. The sensitivity analysis is conducted on a currency-by-currency basis using the sensitivity analysis variable, which is based on the average annual movement in exchange rates over the past five years at year-end spot rates. The variable for each currency the group is materially exposed to is listed below:

- USD: 5.8% (2022: 5.8%)
- EUR: 3.8% (2022: 3.4%)

	Impact on post-tax loss		**Impact on other components of equity**	
	2023	2022	**2023**	2022
	$	$	**$**	$
USD/AUD exchange rate - change by 5.8% (2022: 5.8%)*	**295,367**	191,975	**-**	-
EUR/AUD exchange rate - change by 3.8% (2022: 3.4%)*	**27,739**	19,403	**-**	-

* Holding all other variables constant

10 Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

Sensitivity (continued)

Profit is more sensitive to movements in the AUD/USD exchange rates in 2023 than 2022 because of the increased amount of USD denominated cash and cash equivalents. The group's exposure to other foreign exchange movements is not material.

(ii) Cash flow and fair value interest rate risk

The group's main interest rate risk arises from cash and cash equivalents held, which expose the group to cash flow interest rate risk. During 2023 and 2022, the group's cash and cash equivalents at variable rates were denominated in Australian dollars.

The group's exposure to interest rate risk at the end of the reporting year and period, respectively, expressed in Australian dollars, was as follows:

	30 June 2023 $	30 June 2022 $
Financial instruments with cash flow risk		
Cash and cash equivalents	**11,699,066**	26,979,105
Other financial assets	**40,000**	40,000
	11,739,066	27,019,105

Sensitivity

The group's exposure to interest rate risk at the end of the reporting year and period, respectively, expressed in Australian dollars, was as follows:

	Impact on post-tax loss		**Impact on other components of equity**	
	2023 $	2022 $	**2023 $**	2022 $
Interest rates - change by 318 basis points (2022: 121 basis points)*	**373,302**	326,931	**-**	-

* Holding all other variables constant

The use of 3.18 percent (2022: 1.21 percent) was determined based on analysis of the Reserve Bank of Australia cash rate change, on an absolute value basis, at 30 June 2023 and the previous four balance dates. The average cash rate at these balance dates was 1.28 percent (2022: 0.77 percent). The average change to the cash rate between balance dates was 247.99 percent (2022: 157.03 percent). By multiplying these two values, the interest rate risk was derived.

10 Financial risk management (continued)

(b) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the group.

There has been an increase in the group's exposure to credit risk in 2023 due to increased cash and cash equivalents. The group's exposure to other classes of financial assets with credit risk is not material.

(i) Risk management

Risk is minimised through investing cash and cash equivalents in financial institutions that maintain a high credit rating.

(ii) Impairment of financial assets

Cash and cash equivalents are also subject to the impairment requirements of AASB 9, and there was no identifiable impairment loss effecting cash and cash equivalents during the year. For more information refer to note 6(a)(viii).

10 Financial risk management (continued)

(c) Liquidity risk

Liquidity risk arises from the possibility that the group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The group manages this risk through the following mechanisms:

- preparing forward looking cash flow analyses in relation to its operating, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing cash and cash equivalents and deposits at call with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

(i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities	**Less than 6 months**	**6 - 12 months**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Carrying amount liabilities**
At 30 June 2023	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Trade payables	**2,834,672**	**-**	**-**	**-**	**-**	**2,834,672**	**2,834,672**
Other financial liabilities	**2,166,989**	**4,250,258**	**1,313,054**	**11,087,992**	**3,570,798**	**22,389,091**	**22,389,091**
Total non-derivatives	**5,001,661**	**4,250,258**	**1,313,054**	**11,087,992**	**3,570,798**	**25,223,763**	**25,223,763**
At 30 June 2022							
Trade payables	2,153,318	-	-	-	-	2,153,318	2,153,318
Other financial liabilities	5,630,420	-	13,361,881	-	-	18,992,301	18,992,301
Total	**7,783,738**	**-**	**13,361,881**	**-**	**-**	**21,145,619**	**21,145,619**

There is a portion of other financial liabilities that is payable in the next six months that is payable in shares. Refer to note 5(d) for further information.

11 Capital management

(a) Risk management

The group's objectives when managing capital are to

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may issue new shares or reduce its capital, subject to the provisions of the group's constitution. The capital structure of the group consists of equity attributed to equity holders of the group, comprising contributed equity, reserves and accumulated losses. By monitoring undiscounted cash flow forecasts and actual cash flows provided to the board by the group's management, the board monitors the need to raise additional equity from the equity markets.

(b) Dividends

No dividends were declared or paid to members for the year ended 30 June 2023 (30 June 2022 nil.) The group's franking account balance was nil at 30 June 2023 (30 June 2022 nil).

12 Interests in other entities

(a) Subsidiaries

The group's subsidiaries at 30 June 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		2023	2022	**2023**	2022
		%	%	**%**	%
Radiopharm Theranostics (USA) Inc	United States	**100**	100	**-**	-
Radiopharm Ventures LLC	United States	**51**	-	**49**	-

On 9 July 2022, Radiopharm Theranostics (USA) Inc. and The University of Texas MD Anderson Cancer Center formed Radiopharm Ventures, LLC, a joint venture to develop novel radiopharmaceutical therapeutic products for cancer. The joint venture will focus initially on developing products based on MD Anderson intellectual property.

Radiopharm Ventures, LLC is a limited liability company jointly owned by Radiopharm Theranostics (USA) Inc. (a wholly owned subsidiary of Radiopharm) (51%) and MD Anderson (49%). The University of Texas MD Anderson Cancer Center has granted a license to Radiopharm Ventures for certain patent and technology rights for development and commercialisation effective from 11 September 2022. The licence may continue until the later of twenty years from the effective fate or the end of the life of the licensed patents. The license may be terminated at any time by mutual written agreement. The agreement between Radiopharm Ventures and MD Anderson includes royalty and milestone payment obligations that arise from the development and/or commercialisation of licensed products. The costs will be shared by Radiopharm Theranostics (USA) Inc and MD Anderson and both parties will share ownership of the resultant intellectual property.

12 Interests in other entities (continued)

(b) Non-controlling interests

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-group eliminations.

Comparatives are not disclosed below as Radiopharm Ventures, LLC was established in the 2023 financial year.

Summarised balance sheet	**Radiopharm Ventures, LLC 30 June 2023 $**
Current assets	**1,227,578**
Current liabilities	**150,830**
Current net assets	**1,378,408**
Non-current assets	**1,357,466**
Non-current net assets	**1,357,466**
Net assets	**2,735,874**
Accumulated non-controlling interests	**1,194,937**

Summarised statement of comprehensive loss	**Radiopharm Ventures, LLC 30 June 2023 $**
Loss for the period	**(331,691)**
Total comprehensive loss	**(331,691)**
Loss allocated to non-controlling interests	**(162,529)**

13 Contingent consideration

(a) AVb6 Integrin intellectual property

The group has the licence agreement with TRIMT GmbH (TRIMT). The key financial terms of the licence agreement includes payments of cash and shares in the group worth US$10 million which has been paid in the year ended 30 June 2022 and issued. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below:

Management has determined the fair value of contingent consideration by assessing the probability of each milestone being achieved. Management's assessment of the probability is based on their experience and considering industry information on clinical trial success rates and related parameters.

The fair value is discounted as set out in note 9(b)(iv). The timeframe for discounting varies depending on the milestone, and is aligned with industry information on the length of time taken to conduct oncological clinical trials.

- **Development Milestone Payments:** Up to US$90m payable to TRIMT upon meeting various milestones:

Milestones	Requirements	Payment to TRIMT
1.	Commencement of Phase 3 diagnostic clinical trial for (68Ga-TRIVEHEXIN) (Diagnostic)	US$2m
2.	Any Marketing Approval in Japan, China, Hong Kong or the United States of (68Ga-TRIVEHEXIN) for diagnostic application (Diagnostic)	US$3m
3.	Last patient Phase 1 (Therapeutic)	US$5m
4.	First patient Phase 2 (Therapeutic)	US$10m
5.	Last patient Phase 2 (Therapeutic)	US$10m
6.	First patient Phase 3 (Therapeutic)	US$15m
7.	Last patient Phase 3 (Therapeutic)	US$15m
8.	Any Marketing Approval in the Territory other than in Australia (Therapeutic)	US$30m

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

- **Royalties on net sales**

The group is obliged to pay TRIMT royalties on net sales based on industry standard single digit royalty rates and also on sublicence revenues. This has no effect on the figures reported as at 30 June 2023 (30 June 2022: none).

13 Contingent consideration (continued)

(b) hu PSA Anti-body intellectual property

The group has the licence agreement with Diaprost AB. The key financial terms of the licence agreement include upfront cash payments of US$7 million which has been paid in the year ending 30 June 2022. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below:

- **Development Milestone Payments:** Up to US$122m payable to the Diaprost upon meeting various milestones:

Milestones	Requirements	Payment to Diaprost
1.	IND allowance	US$3m
2.	Last patient Phase 1	US$5m
3.	First patient Phase 2	US$11m
4.	Last patient Phase 2B	US$11m
5.	First patient Pivotal Study	US$15m
6.	Upon the dosing of the final patient in a Pivotal Study	US$15m
7.	FDA submission	US$7m
8.	FDA approval	US$25m
9.	EMA approval	US$10m
10.	PMDA approval	US$5m
11.	Second indication, approval at first of FDA, EMA, PMDA	US$10m
12.	Approval at first of FDA, EMA, PMDA for Diagnostic trials.	US$5m

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

- **Royalties on net sales**

The group is obliged to pay Diaprost AB royalties on sublicensing based on industry standard royalty rates. This has no effect on the figures reported as at 30 June 2023 (30 June 2022: none).

13 Contingent consideration (continued)

(c) NanoMab intellectual property

The group has the licence agreement with the NanoMab Technology Limited. The key financial terms of the licence agreement includes payments of cash and shares in the group worth US$12.5 million which has been paid and issued in the year ending 30 June 2022. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below.

- **Development Milestone Payments:** Up to US$18m payable in shares to the NanoMab upon meeting various milestones:

Milestones	Requirements	Payment to Nanomab
1.	IND allowance by the U.S. FDA or the EMA or the NMPA (for either the HER-2 or the TROP-2 Therapeutic)	US$5m*
2.	IND allowance by the U.S. FDA or the EMA or the NMPA (for the PKT-7 Therapeutic)	US$0.5m*
3.	First patient dosed in the first Phase 1 therapeutic clinical trial	US$1m*
4.	First patient dosed in the first Phase 2 therapeutic clinical trial	US$2m*
5.	First patient dosed in the first Phase 3 therapeutic clinical trial, or approval of a Licensed Product	US$3m*

* Payment to be made in the form of ordinary shares in the company, based on the price of the 7 day VWAP prior to the announcement of the milestone on the ASX.

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

Additionally, the group signed an amendment with NanoMab Technology Limited that included the additional milestones.

Milestones	Requirements	Payment to Nanomab
1.	IND submission to the U.S. FDA or the EMA or the NMPA for PDL-1 Therapeutic)	US$0.5m*
2.	First patient dosed in the first Phase 1 therapeutic clinical trial	US$1m*
3.	First patient dosed in the first Phase 2 therapeutic clinical trial	US$2m*
4.	First patient dosed in the first Phase 3 therapeutic clinical trial	US$3m*

* Payment to be made in the form of ordinary shares in the company, based on the price of the 7 day (VWAP) prior to the announcement of the milestone on the ASX.

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

- **Royalties on net sales**

The group is obliged to pay Nanomab royalties on net sales based on industry standard single digit royalty rates and also on sublicence revenues. This has no effect on the figures reported as at 30 June 2023 (30 June 2022: none).

13 Contingent consideration (continued)

(d) Pivalate intellectual property

The group has the licence agreement with Cancer Research Technologies Limited (CRT). The key financial terms of the license agreement include an upfront cash payment of £180,000 which has been paid in the year ending 30 June 2022. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below:

- **Development Milestone Payments:** Up to £36.18m payable to CRT upon meeting various milestones:

Diagnostic development milestones:

Milestones	Requirements	Payment to CRT
1.	Phase 1 clinical trial commencement limited to each of the 1st indication	£45k
2.	Phase 2 clinical trial commencement limited to each of the 1st 3 indications	£225k
3.	Phase 3 clinical trial commencement limited to each of the 1st 3 indications	£630k
4.	Grant of US Regulatory Approval	£900k
5.	Grant of EU (or UK) Regulatory Approval	£450k
6.	First commercial sale	£900k
7.	Aggregate Net Sales worldwide exceeding £10m	£630k
8.	Aggregate Net Sales worldwide exceeding £50m	£3.15m

13 Contingent consideration (continued)

(d) Pivalate intellectual property (continued)

Therapeutic development milestones:

Milestones	Requirements	Payment to CRT
1.	Clearing of IND in the US or any country in Territory	£90k
2.	Phase 1 clinical trial/pivotal study commencement, limited to each of the 1st indication	£225k
3.	Phase 2 clinical trial/pivotal study commencement, limited to each of the 1st 3 indications	£630k
4.	Phase 3 clinical trial/pivotal study commencement, limited to each of the 1st 3 indications	£1.8m
5.	Grant of US Regulatory Approval	£3.6m
6.	Grant of MA in the EU (or UK)	£1.8m
7.	First commercial sale	£4.5m
8.	Aggregate Net Sales worldwide exceeding £100m	£2.7m
9.	Aggregate Net Sales worldwide exceeding £500m	£13.5m

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

- **Royalties on net sales**

The group is obliged to pay CRT royalties on net sales based on industry standard single digit royalty rates. This has no effect on the figures reported as at 30 June 2023 (30 June 2022: none).

13 Contingent consideration (continued)

(e) NeoIndicate intellectual property

The group has the sublicence agreement with NeoIndicate LLC (NeoIndicate). The key financial terms of the license agreement include an upfront cash payment of US$100,000 in the year ending 30 June 2022. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below:

- **Development Milestone Payments:** Up to US$173.25m payable to NeoIndicate upon meeting various milestones:

Diagnostic development milestones:

Milestones	Requirements	Payment to NeoIndicate
1.	eIND or IND Diagnostic approval	US$75k
2.	First dose of Diagnostic in Phase I anywhere in world	US$75k
3.	First dose of Diagnostic in Phase II anywhere in world	US$150k
4.	First dose of Diagnostic in Phase III anywhere in world	US$300k
5.	US FDA Regulatory Approval Diagnostic	US$1m
6.	Outside of US Regulatory Approval Diagnostic	US$0.5m
7.	Upon first reaching cumulative aggregate gross sales of $25M Diagnostic	US$0.75m
8.	Upon first reaching cumulative aggregate gross sales of $100M Diagnostic	US$3m
9.	Upon first reaching cumulative aggregate gross sales of US$250M Diagnostic	US$7.5m
10.	Upon first reaching cumulative aggregate gross sales of US$500M Diagnostic	US$15m
11.	Upon first reaching cumulative aggregate gross sales of US$1 Billion Diagnostic	US$30m
12.	Upon first reaching cumulative aggregate gross sales of US$2 Billion Diagnostic	US$60m

13 Contingent consideration (continued)

(e) NeoIndicate intellectual property (continued)

Therapeutic Licensed Product Milestone Payments:

Milestones	Requirements	Payment to NeoIndicate
1.	eIND or IND approval of therapeutic	US$100k
2.	First dosing Therapeutic of patients in Phase I anywhere in world	US$100k
3.	First dosing Therapeutic of patients in Phase II anywhere in world	US$200k
4.	First dosing Therapeutic of patients in Phase III anywhere in world	US$0.5m
5.	US FDA Approval Therapeutic	US$2m
6.	Outside of US Regulatory Approval Therapeutic	US$1m
7.	Upon first reaching cumulative aggregate gross sales of $25M Therapeutic	US$1m
8.	Upon first reaching cumulative aggregate gross sales of $100M Therapeutic	US$5m
9.	Upon first reaching cumulative aggregate gross sales of $250M Therapeutic	US$10m
10.	Upon first reaching cumulative aggregate gross sales of US$500M Therapeutic	US$20m
11.	Upon first reaching cumulative aggregate gross sales of US$1 Billion Therapeutic	US$5m
12.	Upon first reaching cumulative aggregate gross sales of US$2 Billion Therapeutic	US$10m

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

- **Royalties on net sales**

The group is obliged to pay NeoIndicate royalties on net sales based on industry standard single digit royalty rates. This has no effect on the figures reported as at 30 June 2023 (30 June 2022: none).

13 Contingent consideration (continued)

(f) UCLA intellectual property

The group has the licence agreement with The Regents of the University of California (UCLA). The key financial terms of the licence agreement include an upfront cash payment of US$100,000 which has been paid in the year ending 30 June 2022. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below:

- **Development Milestone Payments:** Up to US$12.35m payable to UCLA upon meeting various milestones:

Milestones	Requirements	Payment to UCLA
1.	Upon enrolling the first patient in a phase II clinical trial of a Licensed Product being developed in the Therapeutics Field	US$100k
2.	Upon enrolling the first patient in a phase III clinical trial of a Licensed Product being developed in the Therapeutics Field	US$250k
3.	Upon receiving FDA approval for a Licensed Product being developed in the Therapeutics Field	US$2.5m
4.	Upon receiving EMA approval for a Licensed Product being developed in the Therapeutics Field	US$2m
5.	Upon achieving a First Commercial Sale of a Licensed Product in the Therapeutics Field	US$1m
6.	When cumulative Net Sales of all Licensed Products reaches fifty million dollars ($50,000,000)	US$1.5m
7.	Cumulative Net Sales of all Licensed Products reaches two hundred and fifty million dollars ($250,000,000)	US$5m

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

- **Royalties on net sales**

The group is obliged to pay UCLA royalties on net sales based on industry standard single digit royalty rates. This has no effect on the figures reported as at 30 June 2023 (30 June 2022: none).

13 Contingent consideration (continued)

(g) Radiopharm Ventures LLC

Radiopharm Ventures, LLC has entered into a technology commercialisation agreement in order to complete research and development activities associated with the Mab licence. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below:

- **Development Milestone Payments:** Up to US$32.275m payable to Mab upon meeting various milestones:

Event	Requirements	Payment to MD Anderson for Licenced products that target B7-H3 and/or are covered by B7-H3 patent rights	Payment to MD Anderson for any other licenced product
1	Initiation of Phase I Clinical Trial of a Licensed Product	US$75k	US$50k
2	Initiation of Phase II Clinical Trial of a Licensed Product	US$275k	US$200k
3	Initiation of Phase III Clinical Trial of a Licensed Product	US$525k	US$400k
4	Filing of BLA (or equivalent in a non-US jurisdiction) for a Licensed Product	US$850k	US$750k
5	Regulatory Approval of a BLA for a Licensed Product by the FDA	US$5.15m	US$5.00m
6	Regulatory Approval of a BLA (or equivalent in a non-US jurisdiction) for a Licensed Product by the European Union equivalent of the FDA	US$4.00m	US$3.00m
7	Regulatory Approval of a BLA (or equivalent in a non-US jurisdiction) for a Licensed Product by the Japanese equivalent of the FDA	US$3.50m	US$2.50m
8	Regulatory Approval of a BLA (or equivalent in a non-US jurisdiction) for a Licensed Product by the Chinese equivalent of the FDA	US$3.50m	US$2.50m

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

(h) Pharma15

The group has acquired Pharma15 with the key financial terms being an upfront payment of cash and shares of US$2m and also a deferred payment 1 year from acquisition of cash and shares of US$2m. The group has also incurred liabilities contingent on future events in respect of the licence, which are summarised below:

- **Development Milestone Payments:** Up to US$2.3m payable to Pharma15 upon meeting various milestones:

Event	Requirements	Payment
1.	FDA IND allowance for a therapeutic product	US$2.3m*

* Payment to be made in the form of ordinary shares in the company, based on the price of the 7 day (VWAP) prior to the announcement of the milestone on the ASX.

As at 30 June 2023 none of the above milestone have been achieved or paid (30 June 2022: none).

14 Commitments

(a) Research and development commitments

(i) Pivalate intellectual property

Under the License Agreement, a non-refundable annual license fee is payable to CRT of £9,000. This is payable within 30 days of the first, second, third and forth anniversaries of the effective date. The first annual Licence fee has been paid as at 30 June 2023. Within 30 days of the fifth and each subsequent anniversary of the effective date and until the calendar year in which the first commercial sale of a licensed product occurs, Radiopharm shall pay to the CRT £18,000.

15 Events occurring after the reporting year

No matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial years.

16 Related party transactions

(a) Key management personnel compensation

	30 June 2023 $	30 June 2022 $
Short-term employee benefits	**4,142,562**	2,820,952
Post-employment benefits	**177,278**	47,053
Long-term benefits	**302,875**	301,702
Share-based payments	**3,143,579**	2,667,283
	7,766,294	5,836,990

Detailed remuneration disclosures are provided in the remuneration report on pages 17 to 27.

(b) Transactions with key management personal

The following transactions occurred with key management personnel:

	30 June 2023 $	30 June 2022 $
Other transactions		
Forfeiture payments expense to key management personnel	**302,875**	337,691

(i) Forfeiture payments expense to key management personal

The group has entered agreements to pay employees for forfeiture of long-term incentives with their former employment. At 30 June 2023 the group has recognised $252,457 as payable for the current year in cash. The expense is cumulative and vests dependent to the employees agreements with Radiopharm.

16 Related party transactions (continued)

(c) Loans to/from related parties

	30 June 2023 $	30 June 2022 $
Loans from key management personnel		
Beginning of the year/period	**-**	59,000
Loans advanced	**-**	10,000
Loans repayments made	**-**	(69,000)
End of year/period	**-**	-

(d) Terms and conditions

At 30 June 2022 the group repaid the full amount owed to Paul Hopper amounting $69,000. These funds were originally received to fund working capital in the group at the time of inception.

17 Share-based payments

(a) Employee Option Plan

The establishment of the 'Omnibus Incentive Plan' (OIP) was renewed by shareholders at the annual general meeting held on 16 November 2022, and will be subject to shareholder approval at the 2023 annual general meeting. The plan is designed to provide long-term incentives for employees (including directors) to deliver long-term shareholder returns. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Set out below are summaries of all listed and unlisted options

	2023		2022	
	Average exercise price per share option	**Number of options**	Average exercise price per share option	Number of options
As at 1 July	**$0.60**	**27,873,360**	$0.60	8,233,342
Granted during the year	**$0.17**	**32,804,903**	$0.60	19,640,018
Forfeited during the year	**$0.36**	**(2,000,000)**	-	-
As at 30 June	**$0.36**	**58,678,263**	$0.60	27,873,360
Vested and exercisable at 30 June	**$0.60**	**11,583,676**	$0.60	4,050,535

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	**Expiry date**	**Exercise price**	**Share options 30 June 2023**	Share options 30 June 2022
2021-03-29	2025-11-25	0.60	1,900,002	1,900,002
2021-04-05	2025-11-25	0.60	1,900,002	1,900,002
2021-04-26	2025-11-25	0.60	1,900,002	1,900,002
2021-06-27	2026-11-25	0.60	2,533,336	2,533,336
2021-07-28	2026-11-25	0.60	2,533,336	2,533,336
2021-08-02	2026-11-25	0.60	8,666,678	8,666,678
2021-12-21	2025-12-21	0.60	400,000	1,400,000
2022-03-02	2027-05-27	0.60	740,000	740,000
2022-04-22	2027-06-01	0.60	2,500,000	2,500,000
2022-07-01	2027-07-01	0.17	13,137,976	-
2022-11-16	2026-12-01	0.60	3,800,004	-
2022-11-16	2027-06-30	0.17	18,366,927	3,800,004
2023-02-07*	2028-02-01	0.16	100,000	-
2023-05-18*	2028-05-18	0.20	200,000	-
Total			58,678,263	27,873,360

17 Share-based payments (continued)

(a) Employee Option Plan (continued)

The following options were granted outside of the OIP plan, vesting immediately upon issue. The outstanding balance at the end of the year is detailed below:

Grant date	Expiry date	Exercise price	Share options 30 June 2023	Share options 30 June 2022
2021-09-13	2024-11-25	0.90	13,680,012	13,680,012
2022-11-25	2026-11-30	0.20	79,352,040	-
Total			93,032,052	13,680,012

Weighted average remaining contractual life of options outstanding at end of year	3.68	3.62

(i) Fair value of options granted

The assessed fair value of options at grant date was determined using the Black-Scholes option pricing model that takes into account the exercise price, term of the option, security price at grant date and expected price volatility of the underlying security, the expected dividend yield, the risk-free interest rate for the term of the security and certain probability assumptions.

The model inputs for options granted during the year ended 30 June 2023 included:

Grant date	Expiry date	Exercise price ($)	No. of options	Share price at grant date ($)	Expected volatility	Dividend yield	Risk- free interest rate	Fair value at grant date ($)
2022-07-01	2027-07-01	0.170	13,137,976	0.170	100%	0.00%	3.24%	1,692,173
2022-11-16	2027-06-30	0.170	18,366,927	0.115	100%	0.00%	3.25%	1,529,964
2022-11-25	2026-11-30	0.200	7,400,000	0.110	100%	0.00%	3.27%	493,580
2022-11-28	2028-01-09	0.123	1,000,000	0.110	100%	0.00%	3.30%	82,800
2023-02-07	2028-02-01	0.155	100,000	0.135	100%	0.00%	3.34%	10,360
2023-05-18	2028-06-30	0.198	200,000	0.160	100%	0.00%	3.23%	23,520
			40,204,903					

(b) Expenses arising from share-based payment transactions

	30 June 2023 $	30 June 2022 $
Options issued	**4,221,280**	6,194,825

18 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

(a) Grant Thornton Audit Pty Ltd

(i) Audit and other assurance services

	30 June 2023 $	30 June 2022 $
Audit and review of financial statements	**396,241**	111,038
Audit of NASDAQ registration	**156,102**	-
Total remuneration for audit and other assurance services	**552,343**	111,038

(b) Grant Thornton Australia Limited

(i) Taxation services

Tax compliance services	**9,270**	16,715
Total remuneration for taxation services	**9,270**	16,715

(ii) Other services

Investigating accountant's report	**-**	42,685
Total remuneration for other services	**-**	42,685
Total auditors' remuneration	**561,613**	170,438

19 Loss per share

(a) Reconciliations of loss used in calculating loss per share

	30 June 2023 $	30 June 2022 $
Basic and diluted loss per share		
Loss attributable to the ordinary equity holders of the group used in calculating loss per share:		
From continuing operations	**34,611,194**	30,420,008

(b) Weighted average number of shares used as the denominator

	2023 Number	2022 Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	**305,832,976**	181,246,144

On the basis of the group's losses, the outstanding options as at 30 June 2023 are considered to be anti-dilutive and therefore were excluded from the diluted weighted average number of ordinary shares calculation.

20 Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity shows the following aggregate amounts:

	30 June 2023 $	30 June 2022 $
Balance sheet		
Current assets	**16,300,104**	27,264,405
Non-current assets	**57,874,738**	56,116,886
Total assets	**74,174,842**	83,381,291
Current liabilities	**12,594,239**	7,738,746
Non-current liabilities	**16,141,046**	12,539,945
Total liabilities	**28,735,285**	20,278,691
Shareholders' equity		
Issued capital	**97,230,329**	86,758,783
Other equity	**(2,146,566)**	-
Reserves		
Share-based payments	**10,642,295**	6,554,312
Equity Settled Payments	**466,455**	573,865
Retained earnings	**(65,046,088)**	(28,805,674)
	41,146,425	65,081,286
Loss for the year	**34,261,728**	28,320,485
Total comprehensive loss	**34,261,728**	28,320,485

(b) Guarantees entered into by the parent entity

The parent entity has not entered into any guarantees in relation to debts of its subsidiaries in the year ended 30 June 2023 (30 June 2022 nil) .

(c) Contingent liabilities of the parent entity

The parent entity had contingent liabilities at 30 June 2023 and 30 June 2022 identical to those of the group, as outlined in note 13.

(d) Contractual commitments for the acquisition of property, plant or equipment

The parent entity has not entered into any contractual commitments for the acquisition of property, plant or equipment in the year ended 30 June 2023 (30 June 2022 nil).

(e) Determining the parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries are accounted for at cost in the financial statements of Radiopharm Theranostics Limited.

Contents of the summary of significant accounting policies

21 Summary of significant accounting policies

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Radiopharm Theranostics Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The financial statements of the Radiopharm Theranostics Limited group also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

The financial statements has been prepared on a historical cost basis.

(iii) Going concern

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

For the year ended 30 June 2023, the group incurred a net loss of $34,611,194 (30 June 2022: $30,420,008) and had net assets of $45,579,425 as at 30 June 2023 (30 June 2022: $62,962,719)

The ability of the group to continue as a going concern is principally dependent upon the ability of the group to raise sufficient capital.

The need to raise additional capital gives rise to a material uncertainty, which may cast significant doubt over the group's ability to continue as a going concern.

The directors believe that the group has the ability to raise capital as required based on the success of previous capital raises and the development progression of the group's research projects.

Based on the above, the directors are satisfied that the group has access to sufficient sources of funding to meet its commitments over the next 12 months, and for that reason the financial statements have been prepared on the basis that the group is a going concern.

Should the above assumptions not prove to be appropiate, there is material uncertainty whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in these financial statements.

(iv) New standards and interpretations not yet adopted

There are no standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting years and on foreseeable future transactions.

(v) Listing Rule 4.10.19

In accordance with LR 4.10.19, the company has used the cash and assets in a form readily convertible to cash that it had at the time of admission to the Official listing of ASX Limited on 23 November 2021, in a way that is consistent with its business objectives, during the period from admission to 30 June 2023.

(b) Principles of consolidation

(i) Subsidiaries

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

21 Summary of significant accounting policies (continued)

(b) Principles of consolidation (continued)

(i) Subsidiaries (continued)

The acquisition method of accounting is used to account for business combinations by the group.

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

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements is presented in the Australian dollar ($), which is Radiopharm Theranostics Limited's functional and presentation currency. The subsidiaries of Radiopharm Theranostics Limited; Radiopharm Theranositcs (USA) Inc and Radiopharm Ventures LLC both use USD as their functional currency. Upon consolidation, these USD amounts are converted to AUD for use in this report.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income on a net basis within finance income.

(e) Revenue recognition

The accounting policies for the group’s revenue from contracts with customers are explained in note 2.

(f) Income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year in the countries where the group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

21 Summary of significant accounting policies (continued)

(f) Income tax (continued)

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Impairment of assets

Intangible assets are tested at each reporting period for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting year. Assets are also assessed if they are ready-for-use each reporting period and will be commence amortisation once ready-for-use.

(h) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent year, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(j) Investments and other financial assets

(i) Classification

The group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

21 Summary of significant accounting policies (continued)

(j) Investments and other financial assets (continued)

(i) Classification (continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

(iv) Financial instruments

Subsequent measurement of financial instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its financial instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the year in which it arises.

(v) Impairment

The group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(k) Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and where applicable adjusted for transaction costs unless the group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

21 Summary of significant accounting policies (continued)

(k) Classification and measurement of financial liabilities (continued)

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(l) Intangible assets

Intangible assets are initially measured at cost. Following initial recognition, intangible assets are carried at historical cost, less any accumulated amortisation and impairment losses. The useful lives of intangible assets that are available for use are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication of impairment. Amortisation methods and periods for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation method and/or period, as appropriate, which is a change in accounting estimate and applied prospectively. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss and other comprehensive income.

(i) Acquisition of intangible assets

The group has applied judgement in determining the accounting treatment for the acquisition of license agreements. License agreements have been determined to be stand alone transactions, independent from any other agreement entered between the group and the licensor.

Future changes to probability of milestones becoming payable in subsequent periods will be captured in the consolidated statement of profit or loss and other comprehensive income.

Contingent consideration on the acquisition of intangible assets is measured at FVPL. Future changes to probability of milestones becoming payable in subsequent periods, and other changes which impact on the fair value of contingent consideration, will be captured in the consolidated statement of profit or loss and other comprehensive income.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense when it is incurred.

Expenditure on development activities, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if it is probable that the product or service is technically and commercially feasible, will generate probable economic benefits, adequate resources are available to complete development and cost can be measured reliably. Other development expenditure is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense as incurred.

(iii) Amortisation methods and useful lives

Management has assessed capitalised patents, licences and other rights as available for their intended use. These assets are amortised on a straight-line basis over the period of their expected benefit.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

21 Summary of significant accounting policies (continued)

(n) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

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

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting year, regardless of when the actual settlement is expected to occur.

(iii) Share-based payments

Share-based compensation benefits are provided to employees via the OIP. Information relating to these schemes is set out in note 17.

Employee options

The fair value of options granted under the OIP is recognised as a share-based payment expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each year, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(iv) Forfeiture payments

The group has incurred liabilities for forfeiture payments relating to the forfeiture of long-term incentive with their former employment. Costs are discounted using RBA risk-free rates based on the years until payment from the employees commencement date. The total expense is recognised over the vesting period, which is the period between the commencement of the employee and the date the payment is due.

21 Summary of significant accounting policies (continued)

(o) Contributed equity

Ordinary shares are classified as equity.

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

(p) Loss per share

(i) Basic loss per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted loss per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(q) Rounding of amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

(r) Goods and Services Tax (GST)

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

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

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

In the directors' opinion:

(a) the financial statements and notes set out on pages 33 to 88 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Note 21(a) confirms that the financial statements also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of directors.

Mr Paul Hopper
Executive Chairman

Sydney
31 August 2023

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Independent Auditor's Report

To the Members of Radiopharm Theranostics Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Radiopharm Theranostics Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the 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, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

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

a giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year ended on that date; and

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty related to going concern

We draw attention to Note 21(a)(iii) in the financial statements, which indicates that the Group incurred a net loss of $34,611,194 during the year ended 30 June 2023, and as of that date, the Group's had net assets of $45,579,425. As stated in Note 21(a)(iii), these events or conditions, along with other matters as set forth in Note 21(a)(iii), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

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

In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Intangible Assets Impairment – Note 6(a) and Note 9(a)(i)	
The Group has acquired licenses associated with the development and commercialisation of oncology products for diagnostic and therapeutic uses, totalling $58.5 million as at June 2023. In accordance with AASB 136 Impairment of Assets, management is required to assess at each reporting date if there are any indicators of impairment which may suggest the carrying value is in excess of the recoverable value. There is significant judgement in determining the appropriate approach to measuring recoverable value, and significant estimation involved in determining the amount. We have determined this is a key audit matter due to the financial significance of this asset class in the statement of financial position, the significant judgement involved in the impairment indicator analysis and the judgement and estimation involved in the subsequent impairment assessment.	Our procedures included, amongst others: • Obtaining an understanding of the underlying processes for the intangible asset impairment process, through discussion with individuals across the organisation and review of relevant documentation; • Assessing the design and implementation of relevant controls in relation to determining the impairment at the year-end; • Holding discussions with the Chief Medical Officer ('CMO') to confirm project status and to identify potential internal indicators of impairment; • Assessing the adequacy of the work of management's experts, including their competence and objectivity; • Validating the appropriateness of management's determination of the asset's useful life; • Obtaining management's impairment indicator analysis and assessing reasonableness through the review of public information and discussions with management; • Considering if there are any other indicators of impairment (such as results of recent trials or changes in factors that underpinned the initial valuation of the assets) and other qualitative considerations (e.g. market valuation of the company compared to its net assets, recent clinical trial results, other public information available or press releases); • Obtaining management's impairment assessment and assessing whether it is reasonable and supportable through testing key inputs, data and assumptions; • Testing the underlying calculations of the model for mathematical accuracy; and • Assessing whether the disclosures in the financial statements, including the note on critical judgements and estimates, are appropriate.

Acquisition of Pharma15 Corporation – Note 6(a)(v), Note 9(a)(v), and Note 13(h)

On 3 March 2023, the Group entered into a Stock Purchase Agreement to acquire 100% of Pharma15 Corporation for cash and share consideration.

As part of the agreement, the Group acquired 2 patents. Payment for the acquisition included upfront payments, deferred consideration and contingent consideration.

Management has concluded that the acquisition of Pharma15 Corporation is an asset acquisition, rather than a business combination under AASB 3 Business Combinations.

The deferred and contingent consideration are measured at fair value under AASB 9 – Financial Instruments using appropriate valuation techniques. The contingent consideration is subject to the achievement of clinical milestones.

This has been determined to be a key audit matter as:

- there is significant judgement applied in assessing the nature of the acquisition as an asset acquisition or business combination; and
- there is significant estimation involved in determining the probability of future cash outflows occurring, determining an appropriate discount rate, applying an appropriate risk premium and adjustment for non-performance risk, and estimating the timeframe over which the amounts should be discounted.

Our procedures included, amongst others:

- Obtaining an understanding of the underlying acquisition accounting process, through discussion with individuals across the organisation and review of relevant documentation;
- Assessing the design and implementation of relevant controls in relation to acquisition accounting;
- Obtaining and reviewing management's accounting position paper, including obtaining the Stock Purchase Agreement to ensure accuracy and completeness of management's position paper;
- Assessing the adequacy of the work of management's expert, including their competence and objectivity;
- Engaging internal experts to review the reasonableness of the position paper provided by management and assess the acquisition accounting to ensure it is in line with accounting standards;
- Assessing the valuation methodology (including inputs, data, and assumptions) used in measuring the acquired assets and liabilities recognised, including assessing the adequacy of the work of management's valuation expert, with involvement of our valuation experts;
- For contingent consideration, assessing the appropriateness of management's judgements through discussions with the CMO and with reference to external data sources such as ASX announcements, media coverage, and available industry information;
- Assessing the mathematical accuracy of management's calculation of intangibles; and
- Assessing whether the disclosures in the financial statements, including on critical judgements and estimates, are appropriate.

R&D Tax rebate accrual – Note 3(a) and Note 5(b)

Radiopharm Theranostics Limited determines the eligibility of their research and development activities under the Australian government tax incentive scheme.

The research and development ('R&D') receivable for the period was $4.4m and the income recognised in the consolidated statement of profit or loss and other comprehensive income was $5.9m for the year then ended.

There is inherent subjectivity involved in the Group's judgements in relation to the calculation and recognition of the R&D tax incentive income and receivable, with several assumptions made in determining the eligibility of claimable expenses.

Due to the above reasons, this has been assessed as a key audit matter.

Our procedures included, amongst others:

- Obtaining a detailed understanding of the underlying processes for claiming the R&D rebate, through discussion with individuals across the organisation and review of relevant documentation;
- Assessing the design and implementation of relevant controls in relation to determining the R&D rebate at the year-end;
- Developing an understanding of the model, identifying and assessing the key assumptions in the calculation;
- Assessing the adequacy of the work of management's expert, including their competence and objectivity;
- Engaging internal experts to review the reasonableness of the calculation provided by management;
- Considering the nature of the expenses against the eligibility criteria of the R&D tax incentive scheme to form a view about whether the expenses included in the estimate are likely to meet the eligibility criteria;
- Validating the mathematical accuracy of the accrued amount;

- Agreeing a sample of R&D expenditure within the computation to underlying supporting documentation;
- Comparing the estimates made in previous years to the amount of cash actually received after lodgement of the R&D tax claim;
- Performing substantive analytical procedures over the R&D claim, considering the nature of the R&D expenditure included in the current year and prior year estimates;
- Inspecting copies of relevant correspondence with AusIndustry and the ATO related to the claims; and
- Assessing whether the disclosures in the financial statements, including on critical judgements and estimates, are appropriate.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf.This description forms part of our auditor's report.

Report on the remuneration report

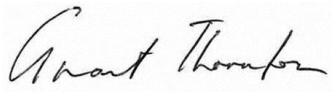
Opinion on the remuneration report

We have audited the Remuneration Report included in pages 15 to 25 of the Directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Radiopharm Theranostics Limited, for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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



Grant Thornton Audit Pty Ltd
Chartered Accountants

M A Cunningham
Partner – Audit & Assurance

Melbourne, 31 August 2023

The shareholder information set out below was applicable as at 14 September 2023.

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Class of equity security			
Holding	**No. of holders (shares)**	**Shares**	**No. of holders (options)**	**Options**
1 - 1000	25	5,524	20	10,897
1,001 - 5,000	311	1,002,140	69	252,326
5,001 - 10,000	290	2,337,798	36	283,794
10,001 - 100,000	1,035	39,386,875	186	9,219,956
100,001 and over	337	296,580,700	150	141,943,342
	1,998	339,313,037	461	151,710,315

There were 269 holders of less than a marketable parcel of ordinary shares.

B. Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

Name	**Ordinary shares**	
	Number held	**Percentage of issued shares**
PAUL HOPPER	94,221,428	27.77
NANOMAB TECHNOLOGIES LIMITED	28,295,131	8.34
UBS NOMINEES PTY LTD	9,627,705	2.84
DULYNE PTY LTD <THE ATLANTIS SUPER FUND A/C>	8,000,000	2.36
CITICORP NOMINEES PTY LIMITED	6,712,601	1.98
RICCARDO CANEVARI	6,724,769	1.98
BNP PARIBAS NOMS PTY LTD <DRP>	6,539,147	1.93
AUSTRALIAN DIRECT INVESTMENTS PTY LIMITED <SUPER FUND A/C>	4,532,158	1.34
FLOCELL AB	3,123,880	0.92
JCR INVESTMENTS CO P/L <ADRIAN VENUTI FAMILY 3 A/C>	3,010,000	0.89
10 BOLIVIANOS PTY LTD	2,900,862	0.85
HSBC CUSTODY NOMINEES	2,649,269	0.78
MANN BEEF PTY LTD	2,601,000	0.77
ZERRIN INVESTMENTS PTY LTD	2,425,000	0.71
FINTER NOMINEES PTY LTD <TJF FAMILY A/C>	2,300,000	0.68
PALM BEACH NOMINEES PTY LIMITED	2,280,624	0.67
MR TZU HSUAN TSENG	2,121,829	0.63
HUMANNDIAGNOSTICS GMBH	2,106,253	0.62
SCINTILLA STRATEGIC INVESTMENTS LIMITED	2,046,829	0.60
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	1,898,358	0.56
	194,116,843	57.22

B. Equity security holders (continued)

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	72,358,275	21

The following holders have unquoted options each representing more than 20% of these securities

- Riccardo Canevari: 21,171,766

C. Substantial holders

Substantial holders in the group are set out below:

	Number held	Percentage
Paul Hopper	94,221,428	26.68%
NanoMab Technology Limited	28,295,131	8.60%

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

(a) Ordinary shares: On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Options: No voting rights.

E. Securities subject to voluntary escrow

The securities subject to voluntary escrow are set out below:

	Expiry date	Number of shares
Ordinary shares	16 November 2023	100,000,000
Ordinary shares	3 December 2023	2,603,235
Ordinary shares	3 March 2024	2,603,229
		105,206,464

Annual Report:
Year Ended 30 June 2023

ASX : RAD

RADIOPHARM THERANOSTICS