



IMAGION BIOSYSTEMS LIMITED

APPENDIX 4D

FOR THE HALF-YEAR ENDED 30 JUNE 2024

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1. Reporting period ("current period"): Half-year ended 30 June 2024
 Previous corresponding periods: Half-year ended 30 June 2023
 Year ended 31 December 2023

2. Results for announcement to the market

Item		Movement	\$AUD
Revenue	Up	136.96% to	1,635,048
(Loss) from ordinary activities after tax attributable to members	Down	80.13% to	(1,526,829)
Net (loss) for the period attributable to members	Down	79.84% to	(1,548,750)

Dividends

There were no dividends paid, recommended or declared during the current period.

3. Consolidated Statement of Profit and Loss and Other Comprehensive Income

Refer to the attached Financial Statements together with notes for the half-year ended 30 June 2024.

4. Consolidated Statement of Financial Position

Refer to the attached Financial Statements together with notes for the half-year ended 30 June 2024.

5. Consolidated Statement of Cash Flows

Refer to the attached Financial Statements together with notes for the half-year ended 30 June 2024.

6. Consolidated Statement of Changes in Equity

Refer to the attached Financial Statements together with notes for the half-year ended 30 June 2024.

7. Dividends

Current period:

There were no dividends paid, recommended or declared during the period.

Previous period:

There were no dividends paid, recommended or declared during the previous financial period.

8. Dividend reinvestment plans

There are no dividend reinvestment plans operation.

9. Net tangible assets

	30 Jun 2024 \$AUD	31 Dec 2023 \$AUD
Net tangible asset backing per ordinary share	(0.16)	(0.12)

10. Details of entities over which control has been gained or lost

N/A

11. Details of associates and joint venture entities

N/A

12. Any other significant information

N/A

13. Foreign Entities

Details of origin of Accounting Standards of foreign subsidiary:

Imagion Biosystems Limited owns 100% of Imagion Biosystems Inc. This company prepares their financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

14. Results for the period

Refer to the Review of Operations contained within the attached Imagion Biosystems Limited Half-Year Financial Report for the half-year ended 30 June 2024.

15. Status of Review

The Half-Year Financial Report has been independently reviewed.

16. Description of any likely review dispute or qualification:

The Half-Year Financial Report is not subject to a qualified independent review statement.



IMAGION BIOSYSTEMS LIMITED

ABN: 42 616 305 027

Consolidated Half-Year Financial Report - 30 June 2024

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Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Imagion Biosystems Limited (referred to hereafter as the 'Company' or 'parent entity' or 'Imagion') and the entities it controlled at the end of, or during the half-year ended 30 June 2024.

Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of: Nanotechnology; Biotechnology; Cancer Diagnostics; and Medical Imaging using Magnetic Resonance.

Review of operations

Operating loss for the half-year of \$1,526,829 (30 June 2023 half-year: \$7,683,076 loss) was reduced as a result of the significant restructuring including reduction of its workforce and closure of its R&D and nanoparticle manufacturing facility which reduced operating costs during the period.

Revenue and other income

Revenue and Other Income comprised income generated through sales of nanoparticles manufactured by the consolidated entity to customers.

Total sales of super-paramagnetic iron oxide nanoparticles over the half-year increased by \$489,923 to \$ 1,163,108 (30 June 2023 half-year: \$673,185).

Research & development tax incentives

In February 2024 the consolidated entity lodged and received approval from AusIndustry in relation to its 31 December 2023 research and development tax incentive claim and subsequently lodged its 31 December 2023 income tax return and received a refund of \$437,279.

Operating expenses

Total expenses decreased by \$5,211,211 to \$3,161,877 (30 June 2023 half-year: \$8,373,088).

Liquidity

The consolidated entity had cash at 30 June 2024 of \$0.38 million. During the reporting period the consolidated entity has undertaken a significant restructuring including reduction of its workforce and closure of its R&D and nanoparticle manufacturing facility which will reduce operating costs going forward.

The consolidated entity's cash position has been further supported subsequent to the half-year end with the receipt of \$500,000 as a result of further investment by Mercer Street Global Opportunity Fund, LLC (Mercer). The facility with Mercer provides for up to a further \$10.78 million in convertible securities subject to mutual agreement between the consolidated entity and Mercer as well as either receiving shareholder approval or having available placement capacity in accordance with the ASX Listing Rules.

In addition to funding available through the Mercer facility, the consolidated entity expects to initiate an entitlement offer to raise capital before the end of the third quarter of 2024 to assist in providing liquidity for the Company and advance the clinical development of its lead MagSense® imaging agent towards an IND filing and for a multi-site Phase 2 study in the US.

If the consolidated entity's capital raising efforts are not successful to adequately fund the Company's near-term activities, the Company may need to cease operation.

Research & Development

The consolidated entity has a pipeline of tumour targeting MagSense® imaging agents for use with widely available commercial MRI systems which provide potentially new information for radiologists not available through conventional imaging methods. During the reporting period the consolidated entity undertook significant cost reduction measures, including eliminating research and development staff and closing its research and development facility. All research and development programs, including outsourced activities for its MagSense® imaging agents have been on hold during the reporting period and will not resume until the consolidated entity has adequate funding.

Significant changes in state of affairs

The consolidated entity has significantly reduced staff and paused all research and development activities due to a lack of funding. Before undertaking any further development efforts the company will need sufficient capital resources to rebuild staff and/or secure contractors. Without an inflow of capital the consolidated entity has material uncertainty as to 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 the Annual Report. Refer to note 1 for further discussion in relation to going concern considerations.

Matters subsequent to the end of the financial half-year

On August 22nd the consolidated entity held a General Meeting in which shareholders approved resolutions related to modifying the terms of the Convertible Securities Agreement with Mercer Street Global Opportunity Fund, LLC (Mercer) as well as terms of equity compensation for certain Directors. On 29 August the consolidated entity requested and Mercer agreed for Mercer to invest \$500,000. The funds are to be made available pending the consolidated entity fulfilling its reporting obligations.

No other matters or circumstances have arisen since the end of the financial period that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

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 immediately after this directors' report.

On behalf of the directors



Robert Proulx
Executive Chair

30 August 2024

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Imagion Biosystems Limited and its Controlled Entity for the half year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

**RSM AUSTRALIA PARTNERS****B Y CHAN**
Partner

Dated: 30 August 2024
Melbourne, Victoria

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Imagion Biosystems Limited
Consolidated Statement of Profit and Loss and Other Comprehensive Income
For the half-year ended 30 June 2024



	2024	2023
	half-year	half-year
	\$	\$
Revenue		
Revenue and other income	1,197,769	690,012
Research & development tax incentives	437,279	-
	1,635,048	690,012
Operating Expenses		
Research & development expenses	(332,853)	(2,208,312)
Employment expenses	(774,665)	(3,049,187)
Professional fees	(292,864)	(982,151)
General expenses	(772,976)	(847,060)
Share based payments expense	-	(245,332)
Depreciation expense	(384,313)	(584,487)
Foreign exchange gain/(loss)	-	(7,114)
Fair value movement of derivatives	-	(52,000)
Finance costs	(604,206)	(397,445)
	(3,161,877)	(8,373,088)
Loss before income tax expense	(1,526,829)	(7,683,076)
Income tax expense (benefit)	-	-
Loss after Income Tax Expense	(1,526,829)	(7,683,076)
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation reserve	(21,921)	42,155
Income tax relating to these items	-	-
Other comprehensive income/(loss), net of tax	(21,921)	42,155
Total comprehensive Income (loss) for the year Attributable to the Owners of Imagion Biosystems Limited	(1,548,750)	(7,640,921)
	Cents	Cents
Basic earnings (loss) per share	(0.0468)	(0.0068)
Diluted earnings (loss) per share	(0.0468)	(0.0068)

These financial statements should be read in conjunction with the accompanying notes.

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Imagion Biosystems Limited
 Consolidated Statement of Financial Position
 As at 30 June 2024



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	Note	30-Jun-2024 \$	31-Dec-2023 \$
Current Assets			
Cash and cash equivalents		382,450	227,084
Trade and other receivables		916	73,686
Other current assets		113,536	300,610
Total Current Assets		496,902	601,380
Non-Current Assets			
Property, plant and equipment		25,821	736,401
Right-of-use assets		-	3,248,491
Total Non-Current Assets		25,821	3,984,892
Total Assets		522,723	4,586,272
Current Liabilities			
Trade and other payables		2,590,291	2,208,883
Lease liabilities		14,451	1,095,646
Borrowings	2	3,169,319	1,700,000
Employee benefits		-	37,852
Other liabilities		16,045	85,544
Total Current Liabilities		5,790,106	5,127,925
Non-Current Liabilities			
Lease liabilities		6,525	2,492,700
Borrowings	2	-	750,000
Employee benefits		-	3,694
Total Non-Current Liabilities		6,525	3,246,394
Total Liabilities		5,796,631	8,374,319
Net Assets / (Liabilities)		(5,273,908)	(3,788,047)
Equity			
Issued capital	3	59,605,923	59,605,923
Reserves	4	1,592,584	4,921,408
Accumulated losses		(66,472,415)	(68,315,378)
Total Equity		(5,273,908)	(3,788,047)

These financial statements should be read in conjunction with the accompanying notes.

Imagion Biosystems Limited
Consolidated Statement of Changes in Equity
For the half-year ended 30 June 2024



	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance as at 1 January 2023	56,830,408	3,688,550	(55,841,462)	4,677,496
Loss after income tax	-	-	(7,683,076)	(7,683,076)
Other comprehensive income/(loss) after tax	-	42,155	-	42,155
Total comprehensive income/(loss)	-	42,155	(7,683,076)	(7,640,921)
<i>Transactions with owners in their capacity as owners</i>				
Contributions of equity	787,903	-	-	787,903
Costs of contributions of equity	(20,738)	-	-	(20,738)
Transfer from reserves	-	-	-	-
Share based payments	-	619,500	-	619,500
Balance as at 30 June 2023	57,597,573	4,350,205	(63,524,538)	(1,576,760)
	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance as at 1 January 2024	59,605,923	4,921,408	(68,315,378)	(3,788,047)
Loss after income tax	-	-	(1,526,829)	(1,526,829)
Other comprehensive income/(loss) after tax	-	(21,921)	-	(21,921)
Total comprehensive income/(loss)	-	(21,921)	(1,526,829)	(1,548,750)
<i>Transactions with owners in their capacity as owners</i>				
Contributions of equity	-	-	-	-
Costs of contributions of equity	-	-	-	-
Transfer from reserves	-	(3,369,792)	3,369,792	-
Share based payments	-	62,889	-	62,889
Balance as at 30 June 2024	59,605,923	1,592,584	(66,472,415)	(5,273,908)

These financial statements should be read in conjunction with the accompanying notes.

Imagion Biosystems Limited
Consolidated Statement of Cash Flows
For the half-year ended 30 June 2024



	Note	2024 half-year \$	2023 half-year \$
Cash Flows from Operating Activities			
Receipts from customers (inc of sales and other taxes)		1,061,221	576,975
Payments to suppliers and employees (inc of sales and other taxes)		(1,709,724)	(6,531,538)
Interest received		3,147	15,828
Interest and other finance costs paid		(3,865)	(80,830)
Government grants and tax incentives		492,279	-
Net cash outflow from operating activities		(156,942)	(6,019,565)
Cash Flows from Investing Activities			
Payment for property, plant and equipment		-	(23,527)
Proceeds from sale of assets		83,744	-
Net cash outflow from investing activities		83,744	(23,527)
Cash Flows from Financing Activities			
Proceeds from the issue of shares		-	412,903
Proceeds from the issue of convertible notes		220,000	2,500,000
Transaction costs in relation to financing activities		-	(342,637)
Repayment of borrowings		-	(548,255)
Net cash inflow from financing activities		220,000	2,022,011
Net increase (decrease) in cash and cash equivalents		146,802	(4,021,081)
Cash and cash equivalents at start of year		227,084	4,446,102
Effects of exchange rate changes on cash and cash equivalents		8,564	28,540
Cash and cash equivalents at end of year		382,450	453,560

These financial statements should be read in conjunction with the accompanying notes.

1 Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 June 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

All amounts are stated in Australian dollars, unless otherwise stated.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Going Concern

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

As disclosed in the financial statements, the consolidated entity incurred a loss of \$1,526,829 and had net cash outflows from operating activities of \$156,942 for the half-year ended 30 June 2024. As at that date, the consolidated entity had net current liabilities of \$5,293,204 and net liabilities of \$5,273,908.

These factors indicate a material uncertainty which may cast significant doubt as to 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 the financial report.

The Directors have prepared the financial statement for the consolidated entity on a going concern basis after consideration of the following factors:

- As disclosed in Note 7, the consolidated entity held a general meeting on 22 August 2024 to pass a number of resolutions in regard to Mercer Street Global Opportunity Fund, LLC (Mercer) and the convertible notes it currently holds. The resolutions have passed with the outcome being the approval of updated terms of the convertible note agreement with Mercer. Upon the approval of these changes, Mercer has expressed willingness to provide further funds to the consolidated entity and on 29 August 2024 approved the drawdown of \$500,000 in convertible notes;
- The consolidated entity is continuing to explore financing options and strategic partnerships with the aim of realising value in relation to its technology that could be utilised to reduce liabilities in conjunction with the Mercer discussions.

With these mitigating factors considered, the directors believe that the consolidated entity will be able to meet its debts as and when they fall due for a period of 12 months from the date of signing this financial report. On this basis, the directors believe that it is appropriate to adopt the going concern basis in the preparation of this financial report.

In the event the consolidated entity loses the support of Mercer, and consequently is unable to settle its liabilities when they fall due, the consolidated entity would not be a going concern and therefore will not be able to realise its assets and extinguish its liabilities in the normal course of business, at the amounts stated in the financial report.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the consolidated entity not continue as a going concern.

1 Significant accounting policies (continued)

Issued capital

Ordinary shares are classified as equity.

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

Share Based Payments

The consolidated entity operates an equity settled share based payment employee incentive scheme. The fair value of the equity to which employees became entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account.

The cost of transactions settled by share based payments is measured at the fair value of the equity instrument at the date of the issue, using an appropriate market based valuation model.

Convertible notes with embedded derivatives

Convertible notes can be converted to ordinary shares at the option of the holder.

For convertible notes with embedded derivative liabilities, the embedded derivative liability is initially measured at fair value at the date the contract is entered into and deducted from the value of the host financial liability. Subsequent to initial recognition, the derivative liability is remeasured to fair value at the end of each reporting period with the change in fair value recognised in profit or loss.

The embedded derivative component of the convertible notes were valued using Monte Carlo simulations using risk neutral valuation techniques and sampling procedures to calculate the expected payoffs from the convertible notes under a range of different outcomes.

The host financial liability is measured at amortised cost using the effective interest method until it is extinguished on conversion or redemption. Interest related to the financial liability is recognised in profit or loss.

Comparatives

The comparative results presented refer to the 6-month period up to 30 June 2023 for the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows. The Statement of Financial Position contains a comparative Statement of Financial Position as of the end of the immediately preceding reporting period, being 31 December 2023.

2 Borrowings	30-Jun-24	31-Dec-23
	\$	\$
Current		
Convertible notes	<u>3,169,319</u>	<u>1,700,000</u>
Non-Current		
Convertible notes	<u>-</u>	<u>750,000</u>

On 7 March 2023 the consolidated entity announced a funding package of up to \$15 million with Mercer Street Global Opportunity Fund, LLC, a New York based investment fund (Mercer). In addition to issuing share capital and options (refer to notes 4 and 5), the consolidated entity issued the following financial liabilities:

- On 21 March 2023, raised \$1,500,000 through the issue of 1,650,000 convertible notes. Each convertible note has a floor price of \$0.50 and expires on 20 September 2024;

2 Borrowings (continued)

- On 1 June 2023, raised \$1,000,000 through the issue of 1,100,000 convertible notes. Each convertible note has a floor price of \$0.50 and expires on 30 November 2024;
- On 25 August 2023, raised \$1,000,000 through the issue of 1,100,000 convertible notes. Each convertible note has a floor price of \$0.50 and expires on 25 February 2025; and
- On 21 May 2024, raised \$220,000 through the issue of 242,000 convertible notes. Each convertible note has a floor price of \$0.50 and expires on 21 May 2027.

As at 31 December 2023 the available balance of the Mercer facility was \$11.5 million. This reduced to \$11.28 million after the issue of convertible notes to Mercer on 21 May 2024. This can be drawn by the consolidated entity, subject to mutual agreement with Mercer and the consolidated entity having sufficient placement capacity under the ASX Listing Rules or obtaining shareholder approval to issue the relevant securities.

All of the convertible notes have the following features:

- Face value of \$1.00 at a subscription price of \$0.90909;
- No interest is payable on unconverted drawn funds;
- The conversion price is 90% of the lowest VWAP during the 15 trading days immediately prior to issuing the relevant conversion notice;
- Each convertible note provides Mercer with the option to convert the notes into ordinary shares. If Mercer does not convert the convertible notes by the relevant maturity dates, the consolidated entity is required to repay Mercer the face value of the notes; and
- The consolidated entity has the option to repay the convertible notes prior to the relevant maturity dates at 105% of the outstanding face value. At that time Mercer has the right to convert up to 30% of any outstanding face value prior to settlement.

The host financial liability has been measured at amortised cost with no embedded derivate being recognised. This is due to the consolidated entity's current share price trading significantly lower than the floor price of \$0.50 per convertible note meaning the likelihood of conversion by Mercer is minimal. The total repayable to Mercer as at balance date was \$3,792,000.

Security

The consolidated entity, via entering into a general security deed, has granted Mercer Street Global Opportunity Fund, LLC a first ranking security against any present and after-acquired secured property and revolving assets.

3 Issued capital

	30-Jun-24	31-Dec-23	30-Jun-24	31-Dec-23
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>32,646,551</u>	<u>32,646,551</u>	<u>59,605,923</u>	<u>59,605,923</u>

Movements in ordinary share capital - 6 months to 30 June 2024

Details	Date	Shares	Issue Price	\$
Opening balance	1-Jan-24	<u>32,646,551</u>		<u>59,605,923</u>
Closing balance	30-Jun-24	<u>32,646,551</u>		<u>59,605,923</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

3 Issued capital (continued)

Listed options

As a result of a significant restructure, including with its workforce, a number of listed options have lapsed because the conditions have not been, or have become incapable of being satisfied.

4 Reserves

	30-Jun-24	31-Dec-23
	\$	\$
Foreign currency translation reserve	903,306	925,227
Share based payment reserve	689,278	3,996,181
	<u>1,592,584</u>	<u>4,921,408</u>

Foreign currency translation reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share based payment reserve

As detailed in note 2, the consolidated entity entered into a funding agreement with Mercer Street Global Opportunity Fund, LLC (Mercer) during the half-year. As consideration for Mercer entering into the agreement with the consolidated entity, the following securities were issued to Mercer for nil consideration:

- On 5 June 2024, the consolidated entity issued 2,048,122 three-year options for ordinary shares at an exercise price of \$0.11284.

The issue of the above options with a value of \$62,889 has been incorporated into the share based payment reserve.

5 Contingent liabilities

As of 30 June 2024, the Company was not party to any material litigation, claims or suit whose outcome could have a material effect on the financial statements (31 December 2023: Nil).

6 Operating segments

Identification of reporting operating segments

The consolidated entity is organised into one operating segment being Research & Development. This operating segment is based on internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM) in assessing performance and in determining the allocation of resources).

Geographical information

The consolidated entity has non-current assets and derives revenue in two geographical areas as outlined below:

	30-Jun-24	31-Dec-23
	\$	\$
<i>Geographical location of non-current assets</i>		
Property, plant and equipment		
United States of America	25,821	734,712
Australia	-	1,689
	<u>25,821</u>	<u>736,401</u>

6 Operating segments (continued)

Right-of-use assets		
United States of America	-	3,248,491
Australia	-	-
	<u>-</u>	<u>3,248,491</u>
	30-Jun-24	30-Jun-23
	\$	\$
<i>Geographical derivation of revenue</i>		
Revenue and other income		
United States of America	1,195,379	674,223
Australia	439,669	15,789
	<u>1,635,048</u>	<u>690,012</u>

7 Events after the reporting period

On 16 July 2024, the consolidated entity issued 2,350,000 Shares to Mercer after entering into a Deed pursuant to which Mercer agreed to waive all rights of redemption of the Convertible Notes issued under the Convertible Securities Agreement that would otherwise have been triggered by the suspension. This issue of shares was ratified at the general meeting on 22 August 2024.

As a result of the meeting, it was also passed that Mercer would be issued an additional 650,000 shares on the terms and conditions set out in the Explanatory Statement.

The consolidated entity held an general meeting on 22 August 2024 in which they passed six resolutions as outlined in the notice to the general meeting. As a result of the resolutions, there are a number of changes to the terms of the convertible notes:

- The floor price of all convertible securities has been updated to be \$0.04 from \$0.50;
- The maturity date for the First and Second Convertible Notes has been extended to be 30 months from the date of issue, increased from the original 18 months from the date of issue; and
- The maturity date for the subsequent convertible notes has been updated to be 18 months from the expiry date. Previously the maturity date was 18 months from their issue date.

On 29 August 2024, Mercer Street Global Opportunity Fund, LLC (Mercer) approved the drawdown of \$500,000 in convertible notes.

No other matters or circumstances have arisen since the end of the financial period that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Imagion Biosystems Limited
Directors' Declaration
For the half-year ended 30 June 2024



In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB134 Interim Financial Report; the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "R. Proulx", written over a horizontal line.

Robert Proulx
Executive Chair
Imagion Biosystems Limited

30 August 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of Imagion Biosystems Limited

Conclusion

We have reviewed the accompanying half-year financial report of Imagion Biosystems Limited ("the company") and its Controlled Entity (together "the consolidated entity") which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Imagion Biosystems Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the half-year financial report, which indicates the consolidated entity incurred a loss of \$1,526,829 and had net cash outflows from operating activities of \$156,942 for the half year ended 30 June 2024, and as at that date the consolidated entity had net current liabilities of \$5,293,204 and net liabilities of \$5,273,908. As stated in Note 1, these conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors' for the Financial Report

The directors of Imagion Biosystems Limited are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

A handwritten signature in blue ink, appearing to read "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read "BY CHAN".

B Y CHAN
Partner

Dated: 30 August 2024
Melbourne, Victoria

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Corporate Directory

Directors

Mr Robert Proulx	Executive Chairman
Mr Brett Mitchell	Non-Executive Director
Ms Melanie Leydin	Non-Executive Director

Company Secretary

Ms Melanie Leydin

Registered Office

Level 4, 96-100 Albert Road
South Melbourne, VIC, 3205, Australia

Principal Place of Business

Level 4, 96-100 Albert Road
South Melbourne, VIC, 3205, Australia

Share Registry

Boardroom Pty Limited
Level 12, 225 George Street
Sydney, NSW, 2000, Australia

Auditor

RSM Australia Partners
Level 27, 120 Collins St
Melbourne, VIC, 3000, Australia

Australian Legal Advisor

K&L Gates
Level 25, 525 Collins Street
Melbourne, VIC, 3000, Australia

United States Legal Advisor

Law Offices of Gayani R. Weerasinghe
325 W Washington St, Ste 2-3013
San Diego, CA, 92103

Stock Exchange

Imagion Biosystems Limited's shares are listed on the Australian Stock Exchange (ASX ticker: IBX)