



2021 Annual Report

Exposing Cancer. Enhancing Treatment.

Chairman's Letter

Dear Shareholders

It is my privilege and pleasure, on behalf of your Board, to share with you the Amplia Therapeutics 2021 Annual Report. It has been a year overshadowed by the COVID pandemic and the challenges that it has provided for individuals, families, communities and companies. Despite the challenges, your Company has reached that very important inflexion point for a drug development biotech. In the past year we have moved from planning to be a clinical development company to being a clinical development company and completing our first clinical trial in line with timelines and budget.

Our small but growing team is highly motivated by the opportunity to develop and deliver new effective therapies to patients in disease areas that are still poorly served by existing treatments. You will be aware that we intend to move quickly to testing AMP45 in patients with pancreatic cancer. One of the 10 most diagnosed cancers in Australia, delayed diagnosis and very limited response to current therapies results in a five-year survival rate of only around 10%, one of the lowest survival rates of all cancer types. Our research collaboration with the Garvan Institute is allowing us to bring together new ways of combining our new drug, AMP945, with existing therapies and provide confidence that research results will be translated into positive results for patients in clinical trials.

We could not have achieved the timely steps to build Amplia into a clinical company without the support of our shareholders and the investment community. Our major investors have continued to support us as we raised the next tranche of capital to prepare for our Phase 2 trials and we welcomed Acorn Capital to our share register in this most recent raise. Your Board and management team is committed to ensuring that our shareholders have a clear understanding of our development plans and the key steps along that path and as always to deliver on time and within budget. Our CEO, John Lambert, and his team continue to do an outstanding job in all aspects of managing the Company. The market for raising capital is always competitive and we continue to be very careful and efficient with raising capital to enhance your investment in Amplia.

Your Board has welcomed a new Director since our balance date on 31 March. Mrs Jane Bell brings a broad corporate and legal background and experience to the Board and we are benefiting from her contributions to our governance and decisions. We continue to monitor and assess the skills matrix across the Board as we expand our clinical activities and source the capital to provide the resources required for the continued growth of our Company.

I want to recognise the ongoing leadership of John Lambert, our CEO and Managing Director. John has been assembling a talented team and he and his team of employees and advisers continue to move Amplia along a successful path to delivering new drugs for patients.

My sincerest thanks go to my fellow directors for all their input, insights and advice over the past year. We are all committed to the continued success of your Company.

To you, our shareholders, thank for your ongoing support and investment in Amplia's vision to develop and deliver new cancer and fibrosis treatment options for patients in need.

Yours sincerely,



Dr Warwick B Tong
Chairman

CEO Report

In a year that has seen traditional markers of time and business practices change, due to the challenges of the COVID-19 pandemic, I am proud to say that our Company has continued to deliver against our projected milestones.

Taking our lead product, AMP945, into a Phase 1 clinical trial late last year was a pivotal milestone for our Company. Our team worked methodically and with great care to complete all preparatory activities for the initial safety trial, on time and within budget. This included the necessary manufacturing and toxicology studies required before first-in-human trials, as well as working with our selected Phase 1 unit, Nucleus Network, to establish the trial, obtain ethics approval and recruit participants. I again take this opportunity to thank the volunteers who participated in this important clinical trial.

The data released from this study supports our planned Phase 2 clinical trials of AMP945 in patients with hard-to-treat cancers and fibrotic diseases, including pancreatic cancer and idiopathic pulmonary fibrosis. We already have established nonclinical proofs of concept for these trials – together with essential buy-in from clinicians to help engage and recruit patients for these studies.

Looking ahead, we are focusing our attention on the critical planning, project management and trial protocol design, which are essential for the establishment and success of these Phase 2 studies. This includes regular engagement with our network of expert advisors in readiness for interactions with key regulators, including the FDA, to ensure we can meet the requirements of potential drug registration in future.

Separately, we are progressing further nonclinical studies to assess the full potential of AMP886, a highly potent inhibitor of FAK that also inhibits two other validated disease targets. This will include further assessment in a range of animal models of different cancer and fibrotic diseases to identify future development, partnering, and licensing opportunities.

We are backed by an experienced network of researchers engaged through both our founding associations and a new partnership with The Garvan Institute of Medical Research. By leveraging the Garvan's deep understanding of the different biological roles that FAK can play, we aim to optimise the design of our planned clinical trials in cancer patients, giving Amplia's FAK inhibitors the best chance for success.

Our internal management team is also expanding. We are delighted to have welcomed Dr Mark Devlin as our Chief Scientific Officer and Dr Rhiannon Jones as Director of Operations – both are highly skilled and devoted colleagues with solid track records in translational research and management. To our Board, we have welcomed Jane Bell who is a respected and capable finance and legal advisor and who is already providing sound support and counsel. We have also recruited additional specialist consultants and advisors to support our immediate growth.

On a more personal note, none of the year's achievements would have been possible without the support of our shareholders, both new and original, institutional and retail. Our vision is to continue to grow Amplia for the benefit of both shareholders and the patients we aim to help. We are most grateful for your ongoing support as we progress towards these goals.



Dr John Lambert
CEO and Managing Director

Financial Report

for the year ended 31 March 2021

Amplia Therapeutics Limited

ACN 165 160 841

Contents

Directors' Report	4
Auditor's Independence Declaration	18
Consolidated Statement of Profit or Loss and Other Comprehensive Income	19
Consolidated Statement of Financial Position	20
Consolidated Statement of Changes in Equity	21
Consolidated Statement of Cash Flows	22
Notes to the Financial Statements	23
Independent Auditor's Report	43

Directors' Report

for the year ended 31 March 2021

Your directors present their report on Amplia Therapeutics Limited (the "Company" or "Amplia") and its subsidiaries (together the "Group") for the year ended 31 March 2021.

DIRECTORS

The names of directors in office at any time during or since the financial year are:

Warwick Tong
Jane Bell (appointed 12 April 2021)
Christopher Burns
John Lambert
Robert Peach

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Details of the directors' qualifications, experience and responsibilities, for directors as at the date of this report, are detailed below:

Warwick Tong (MB ChB MPP GAICD) – Independent Non Executive Director and Chair

Dr. Tong is a NZ trained physician with more than 25 years' experience in the Pharmaceutical and Biotechnology industry. After his early career in General Medical Practice Warwick has held a wide variety of roles in the pharmaceutical and biotech industry in NZ (Glaxo) Singapore (GlaxoWellcome) London (GSK), Boston (Surface Logix) and Melbourne (CTx - Cancer Therapeutics CRC). Warwick currently serves as director of Aculeus Therapeutics Pty Ltd, CannaPacific Pty Ltd and its affiliate e3D Pharma Pty Ltd. He is a member of the Strategic Advisory Board of the Maurice Wilkins Centre in Auckland NZ and of the CSIRO Manufacturing Business Advisory Committee. Warwick is a former CEO and director of CTx, director and Chair of the CTx commercialisation company, CTxONE, and director and Chair of BioMedVic. Warwick graduated in Medicine at the University of Auckland, holds a Master of Public Policy from Victoria University, Wellington, New Zealand and is a Graduate of the Australian Institute of Company Directors. Warwick was appointed as a Non-Executive Director on the 4th of May 2018 and Chairman on 25 May 2018. Warwick is a member of the Audit Committee and also a Director of the Company's wholly owned subsidiary Amplia Therapeutics (UK) LTD.

Jane Bell (BEc LLB LLM (Lond) FAICD) – Independent Non Executive Director

Mrs Bell is a banking and finance lawyer and non-executive director with more than 30 years' experience in leading law firms, financial services and corporate treasury operations gained living in Melbourne, London, Toronto, San Francisco and Brisbane. Jane has been a non-executive director since 2002, serving on 13 boards including nine health and medical research boards. Jane currently serves as Deputy Chair of Monash Health, Director of Jessie McPherson Private Hospital, Chair of the Community Advisory Group of the Melbourne Genomics Health Alliance and is a Tribunal Member of the Administrative Appeals Tribunal. Jane is a former Chair of Melbourne Health (Royal Melbourne Hospital), Chair of Biomedical Research Vic, Deputy Chair of Westernport Water Corporation, Director of UCA Funds Management, WorkSafe Victoria, Hudson Institute of Medical Research-Monash Institute of Medical Research-Prince Henry's Institute of Medical Research, Queensland Institute of Medical Research Trust, Australian Red Cross (Qld) and Victorian Women's Housing Association. Jane holds a Master of Laws from Kings College, London, Bachelor of Laws from the University of Melbourne, Bachelor of Economics from Monash University and is a Fellow of the Australian Institute of Company Directors. Jane was appointed as a Non-Executive Director on the 12 April 2021 and was also appointed Chair of the Audit Committee.

Christopher Burns (B.Sc. (Hons) PhD FRACI FRSC GAICD) – Independent Non Executive Director

Dr Burns is an experienced drug discovery leader having worked in various roles in pharma, biotech and academia for 25 years. After completing a PhD in Organic Chemistry at the University of Melbourne Chris undertook post-doctoral studies in the USA before moving to Pfizer UK, where he worked on a variety of drug discovery projects. After 5 years he returned to Australia as a Research Fellow at the

University of Sydney with the CRC for Molecular Engineering and Technology and after two years moved to the biotechnology company Ambri as Head of Chemistry. Chris then moved to the Melbourne-based biotech as Head of Medicinal Chemistry and later as Research Director. During this time he led teams in the discovery of two anti-cancer agents that have entered clinical trial, including the drug momelotinib which successfully completed Phase III studies. Most recently Chris was a Laboratory Head at the Walter and Eliza Hall Institute of Medical Research in Melbourne and currently holds executive roles with privately held biotechs MecRx, Certa Therapeutics and OccuRx. Dr Burns is the inventor on over 30 patents and a co-author on over 50 scientific publications and is a fellow of the Royal Society of Chemistry (UK) and the Royal Australian Chemical Institute. Chris was appointed as a Non-Executive Director on the 4th of May 2018 and was Chairman of the Audit Committee during the year ended 31 March 2021.

John Lambert (B.Sc. (Hons) PhD GAICD) – CEO & Managing Director

Dr Lambert was appointed CEO on 24 June 2019 and Managing Director on 6 February 2020. John has more than 18 years of drug discovery and development experience. His prior appointments included leadership roles in Drug Development, Operations Management and Drug Discovery (Biota Pharmaceuticals), primarily working on the development of respiratory antiviral drugs. As a Senior Director at Medicines Development for Global Health, John was a member of the team that received approval in 2018 from the US FDA for moxidectin as a treatment for river blindness. Prior to working in industry John was an academic researcher in organic, medicinal and biological chemistry (University of Melbourne, ANU and Harvard University). John is an experienced manager of both in early and late development of therapeutics and has built and led multidisciplinary project teams tasked with the objective of delivering clinical proof-of-concept for new products. As such, his experience spans the entire spectrum of drug development from design of development strategy through project management, manufacture, formulation, pre-clinical and clinical development and regulatory affairs.

Robert Peach (PhD) – Independent Non Executive Director

Dr Peach has 30 years of drug discovery and development experience in the Pharmaceutical and Biotechnology industry. In 2009 he co-founded Receptos Limited, becoming Chief Scientific Officer and raising US\$59M in venture capital and US\$800M in an IPO and three subsequent follow-on offerings. In August 2015 Receptos was acquired by Celgene for US\$7.8B. Robert held senior executive and scientific positions in other companies including Apoptos, Biogen Idec, IDEC and Bristol-Myers Squibb, supporting in-licensing, acquisition and venture investments. His extensive drug discovery and development experience in autoimmune and inflammatory diseases, and cancer has resulted in multiple drugs entering clinical trials and 3 registered drugs. He is currently on the Board of Directors of AdAlta Pty Limited and Rekovert Therapeutics, and serves on the Scientific Advisory Board of Eclipse Bioinnovations. Robert is the co-author of 70 scientific publications and book chapters, and 26 patents and patent applications. He was educated at the University of Canterbury and the University of Otago, New Zealand. He was appointed as a Non-Executive Director on 2 September 2015 and is Chairman of the Remuneration Committee.

COMPANY SECRETARY

Andrew Cooke (LLB) – Company Secretary

Mr Cooke holds a law degree from Sydney University and has extensive experience in law, corporate finance, governance and compliance. Andrew has been the Company Secretary since 11 October 2013 and is also a Director of the Company's wholly owned subsidiary Amplia Therapeutics (UK) LTD.

PRINCIPAL ACTIVITIES

The principal activity of the Company is development of its Focal Adhesion Kinase (FAK) inhibiting drug candidates AMP886 and AMP945. These assets represent highly attractive compounds for clinical development possessing excellent potency and drug-like properties, biological selectivity, bioavailability, and manufacturing scale-up potential. The Company is focused on the development of these drug candidates for potential use in multiple indications including oncology and chronic fibrosis.

Directors' Report

for the year ended 31 March 2021

OPERATING RESULTS

The Group total comprehensive loss after tax for the year ended 31 March 2021 was \$2,281,153 (2020: Loss after tax \$2,219,474).

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared during the financial year or after the reporting date.

REVIEW OF OPERATIONS

During the year ending 31 March 2021, Amplia made significant progress in the development of its key pharmaceutical asset AMP945, a molecule with promising potential for the treatment of both cancer and fibrotic diseases. The Company remains committed to the development of inhibitors of FAK. Operational highlights reported during the year include:

- Second Orphan Drug Designation received from FDA for AMP945 in idiopathic pulmonary fibrosis
- Completion of a preclinical safety program and receipt of ethics committee approval to initiate clinical studies of AMP945
- Initiation of dosing in a Phase 1 clinical trial of AMP945 in healthy volunteers
- Establishment of collaboration terms with the Garvan Institute of Medical Research focussed on new treatments for pancreatic cancer
- Establishment of clinical advisory groups for pancreatic cancer and pulmonary fibrosis
- Receipt of further preclinical evidence supporting the potential utility of AMP945 in cancer and fibrosis
- Conduct of preclinical studies to assess the efficacy of AMP886 in various disease models

In July 2020, the Company raised a total of \$3,987,831 through an underwritten, accelerated, entitlement offer. In addition to being well supported by retail investors, the offer was strongly supported by the Company's largest shareholder, Platinum Investment Management Ltd. and a new substantial shareholder, Blueflag Holdings Pty Ltd. The proceeds from the offer were used to fund the Phase 1 clinical trial of AMP945, additional non-clinical studies and provide working capital for the Company. In December 2020, the Company received a Research and Development Tax Incentive Refund of \$533,521 as a result of R&D expenditure incurred during the year ended 31 March 2020.

During the year, Amplia took further steps to broaden its intellectual property position in relation to its key asset AMP945. In May 2020, the company lodged a new patent application covering the use of AMP945 in pulmonary fibrosis. If granted, the new application will provide additional patent coverage for the preferred salt of AMP945 in pulmonary fibrosis to 2040.

In April 2021, Amplia completed dosing of volunteers in its Phase 1 trial of AMP945. Data analysis is ongoing but initial results indicate that AMP945 is well tolerated and has good pharmaceutical properties.

FINANCIAL POSITION

The Group loss after tax for the year ended 31 March 2021 was \$2,281,153 (2020: \$2,219,474). This result included a non-cash share based compensation of \$214,432 (2020: \$202,835). Since 31 March 2020, the net assets of the Group have increased by \$1,734,194 to be \$10,339,959 at 31 March 2021.

Research and development expenses increased to \$2,211,822 (2020: \$1,071,677). This reflected Amplia's focus on progressing lead candidate AMP945 through a Phase 1 clinical trial. R&D activities included costs of the Phase 1 clinical trial, manufacturing and completion of the preclinical safety studies which enabled the Phase 1 trial.

General and Administration expenses increased to \$1,134,749 (2020: \$858,886). Patent and associated expenses increased to \$312,012 (2020: \$123,218). This was due primarily to a milestone payment of US\$200,000 to Cancer Research Technology Limited which was due upon commencement of the AMP945 Phase 1 trial.

At balance date the Group held Cash and cash equivalents of \$1,848,808 (2020: \$1,108,115) and had no debt.

The key intangible asset is the exclusive worldwide license to develop and commercialise the drug candidates AMP945 and AMP886. This is being carried at the deemed share consideration paid on acquisition i.e. \$7,937,932. The Group continues to believe that the carrying value for these assets at the deemed acquisition value remains appropriate.

On 1 April 2020 the Company had 66,463,185 shares on issue. During the year 40,409,916 shares were issued through placements and exercise of options. A total of \$4,063,564 was raised through the placements and exercise of options during the year. An additional 1,099,508 shares were issued to Directors in lieu of fees as approved by shareholders. The number of shares on issue at 31 March 2021 was 107,972,609.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There has been no significant change in the activities of the Company during the year. Amplia has continued to be focused on the development of drug candidates AMP886 and AMP945 for application in oncology and chronic fibrosis indications.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 10 May 2021 the Company issued 16,585,000 shares @ 23c per share raising \$3,814,550. The proceeds of this capital raise will be used to fund enabling activities for the Company's planned Phase 2 clinical trials in pancreatic cancer and pulmonary fibrosis and to provide working capital. The Company has committed to prime contracts totalling approximately \$1,800,000 to be executed over the next 12 months.

Other than the above, no other matter or circumstance has arisen since the end of the financial year which is not otherwise dealt with in this report or in the Consolidated Financial Statements 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 in subsequent financial years.

FUTURE DEVELOPMENTS

Focal Adhesion Kinase has emerged as an important target in both fibrotic cancers such as pancreatic and ovarian cancer as well as non-cancer fibrosis such as idiopathic pulmonary fibrosis. The FAK inhibiting assets AMP886 and AMP945 which are now held by the Group through the acquisition of Amplia in 2018 represent highly attractive compounds for clinical development possessing excellent potency and drug-like properties, biological selectivity, bioavailability and manufacturing scale-up potential.

The Group plans to advance the development of these drug candidates as rapidly as possible. Having completed a Phase 1 clinical trial of AMP945 in healthy volunteers, the Company is now planning Phase 2 clinical studies in pancreatic cancer and pulmonary fibrosis. AMP886 has not yet entered clinical development.

In March 2020, the World Health Organisation declared the outbreak of COVID-19 as a pandemic. The Group conducts manufacturing of its drug candidates, which are used for trial purposes, using overseas suppliers. Continued outbreaks of COVID-19 may cause business disruption to supply of product. There is uncertainty around the potential consequences of such disruptions and as such the Group is unable to determine if such disruptions would have a material impact on its operations.

Directors' Report

for the year ended 31 March 2021

ENVIRONMENTAL ISSUES

The Group was in compliance with all the necessary environmental regulations throughout the period and no related issues have arisen since the end of the financial year to the date of this report.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of any court to bring proceedings on behalf of the Group or 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 any part of those proceedings.

REMUNERATION REPORT

The Directors of the Group present the Remuneration Report for non-executive directors, executive directors and other key management personnel ("KMP"), prepared in accordance with the *Corporations Act 2001* and the Corporations Regulations 2001.

Directors and KMP disclosed in this report

Name	Position
Directors	
Warwick Tong	Chairman and Non Executive Director
John Lambert	Chief Executive Officer & Managing Director
Robert Peach	Non Executive Director
Christopher Burns	Non Executive Director
Other KMP	
Jeff Carter	Chief Financial Officer (CFO)

Role of the Remuneration Committee

The Remuneration Committee is a committee of the Board. Its primary purpose is to:

- Assist the Board in fulfilling its oversight responsibilities relating to the remuneration of officers, directors, and executives of the Company.
- Advise the Board regarding the Company's remuneration philosophies, practices, and procedures.
- Advise the Board regarding key senior management succession planning, including recruiting, hiring, development, and retention, and termination of key senior executives.

The objective of the Committee, currently comprising Directors Dr Peach (chair) and Dr Burns is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company.

Non-executive directors' remuneration policy

Fees and payments to non-executive directors reflect the demands, which are made on, and the responsibilities of, the directors. For the financial year ended 31 March 2021, the Board approved an annual base fee of \$30,000 for the Chairman and \$20,000 for the other non-executive directors (which also covers serving on a committee), paid six monthly in arrears. Long term incentives are provided through participation in the Employee Share Option Plan.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The fee pool limit was set at \$300,000 at the 2014 Annual General Meeting.

There are no retirement allowances for non-executive directors, in line with guidance from the ASX Corporate Governance Council on non-executive directors' remuneration. Superannuation contributions to Australian resident non-executive directors are made where required under the Australian superannuation guarantee legislation.

Executive remuneration policy

The Remuneration Committee is responsible for approving remuneration packages applicable to executive directors and other KMP of the Group. The Remuneration Committee is to ensure that the remuneration package properly reflects the person's duties and responsibilities and that the remuneration is competitive in attracting, retaining and motivating people of high quality and standard.

Executive directors of the Group do not receive director's fees and are not currently provided with retirement benefits.

Executive directors and KMP are remunerated primarily by means of cash benefits and may receive cash bonuses based on the achievement of individually set key performance indicators. However, the Group's need to preserve cash may result in the cash component of remuneration being insufficient to match that which is offered by other companies to personnel in comparable positions or with similar skill sets. Accordingly, the Group may use share options where necessary to mitigate this and to also provide for medium term shareholder and KMP goal alignment.

To enable share options to be included as part of Director and KMP remuneration, an Employee Share Option Plan was approved by the Board of Directors 12 November 2013 and subsequently approved by shareholders at the Company's Annual General Meeting on 30 August 2019.

Directors' Report

for the year ended 31 March 2021

Directors' and other Key Management Personnel Remuneration - 31 March 2021

Details of the nature and amount of each element of the remuneration of each Director and KMP for the year ended 31 March 2021, are shown in the table below:

2021	Short-Term Benefits			Post-Employment Benefits			Share based payments (options) ⁴ (\$)	Total (\$)
	Cash Salary & Fees (\$)	Cash Bonus (\$)	Non-monetary Benefits (\$)	Super-annuation (\$)	Retirement benefits (\$)	Long Service Leave (\$)		
Directors								
<i>Non Executive</i>								
Warwick Tong	30,000 ¹	-	-	-	-	-	-	30,000
Robert Peach	20,000 ¹	-	-	-	-	-	19,631	39,631
Christopher Burns	20,000 ¹	-	-	-	-	-	-	20,000
<i>Executive</i>								
John Lambert ²	224,000	129,637	-	25,556	-	-	48,489	427,682
Total Directors	294,000	129,637	-	25,556	-	-	68,120	517,313
KMP								
Jeff Carter ³	117,300	-	-	-	-	-	35,800	153,100
Total KMP	117,300	-	-	-	-	-	35,800	153,100

1 Director fees for the three months to 30 June 2020 were paid in shares as approved by shareholders. The remaining amount was paid in cash.

2 Dr Lambert's annual salary was increased from \$180,000 plus statutory superannuation to \$260,000 plus statutory superannuation in September 2020. The cash bonus of \$70,137 for the year ended 31 March 2020 was paid during the current year and an accrual of \$59,500 cash bonus for the year ended 31 March 2021 was made. No director fees were paid to Dr Lambert.

3 Mr Carter's CFO services are provided by Mr Carter's service company, Joblak Pty Ltd. The Company entered into a contract for his services at \$7,525 per month plus payment for any excess hours.

4 Share based payments have all been in the form of options.

The Board set no other performance criteria for KMP during the year to 31 March 2021 and no other bonuses were paid to them.

Directors' and other Key Management Personnel Remuneration - 31 March 2020

Details of the nature and amount of each element of the remuneration of each Director and KMP for the year ended 31 March 2020, are shown in the table below:

2020	Short-Term Benefits			Post-Employment Benefits			Share based payments (options) ⁶ (\$)	Total (\$)
	Cash Salary & Fees (\$)	Cash Bonus (\$)	Non-monetary Benefits (\$)	Super-annuation (\$)	Retirement benefits (\$)	Long Service Leave (\$)		
Directors								
<i>Non Executive</i>								
Warwick Tong	30,000 ¹	-	-	-	-	-	-	30,000
Robert Peach	20,000 ¹	-	-	-	-	-	37,281	57,281
Christian Behrenbruch	-	-	-	-	-	-	-	-
Christopher Burns	20,000 ¹	-	-	-	-	-	-	20,000
Andrew Cooke	76,667 ²	-	-	-	-	-	37,281	113,948
<i>Executive</i>								
Simon Wilkinson	136,917 ³	-	-	-	-	-	62,910	199,827
John Lambert	160,973 ⁴	-	-	13,154	-	-	65,364	239,491
Total Directors	444,557	-	-	13,154	-	-	202,836	660,547
KMP								
Jeff Carter	90,300 ⁵	-	-	-	-	-	-	90,300
Total KMP	90,300	-	-	-	-	-	-	90,300

1 Director fees for the twelve months to 31 March 2020 were accrued but payment has been deferred until further notice.

2 Mr Cooke is also the Company Secretary and this amount includes fees for these services provided by Mr Cooke's service company, AJC Corporate Services Pty Ltd, of \$5,000 per month i.e. \$60,000 p.a. Payment of his director fees to the date of retirement i.e. \$16,667 has been deferred until further notice.

3 Mr Wilkinson was the CEO to 23 June 2019. This amount includes his annual salary of NZ\$230,000 up to 23 September 2019 and a non-executive director fee of \$6,667. No director fees were paid to Mr Wilkinson until he became a non-executive director. From date of retirement Mr Wilkinson may be paid a monthly consulting fee of \$1,000.

4 Dr Lambert's services were provided by Dr Lambert's service company, Parallax Consulting Pty Ltd up to his date of appointment as CEO. On 16 August 2018 the Company entered into an hourly contract for his services for a maximum of \$3,400 per week. On 24 June 2019 Dr Lambert was appointed as CEO and received an annual salary of \$180,000 plus statutory superannuation. No director fees were paid to Dr Lambert.

5 Mr Carter's CFO services are provided by Mr Carter's service company, Joblak Pty Ltd. The Company entered into a contract for his services at \$7,525 per month plus payment for any excess hours.

6 Share based payments have all been in the form of options.

The Board set no other performance criteria for KMP during the year to 31 March 2020 and no other bonuses were paid to them.

Directors' Report

for the year ended 31 March 2021

Options issued as part of remuneration for the year ended 31 March 2021

Options may be issued to executives as part of their remuneration. The options are issued to encourage goal alignment between executives, directors and shareholders.

No options were issued to Directors as part of remuneration during the year ended 31 March 2021. The following options were issued to KMP's as part of remuneration during the year ended 31 March 2021.

2021	Date of Issue	Number	Vesting ¹	Strike Price	Expiry	Fair Value (\$)
Other KMP						
Jeff Carter	2-Sep-20	500,000	Immediately	\$0.20	2-Sep-25	35,800 ¹
Total Other KMP		500,000				35,800

¹ These options were Mr Carter's first issue of options since the Company acquisition of Amplia Therapeutics Pty Ltd on 26 April 2018. The fair value of the options issued was 7.16 cents each.

No other options were issued to Directors or other KMP's during the year to 31 March 2021.

Options issued as part of remuneration for the year ended 31 March 2020

No options were issued to Directors as part of remuneration during the year ended 31 March 2020. The following options issued to KMP's as part of remuneration during the year ended 31 March 2020.

2020	Date of Issue	Number	Vesting ¹	Strike Price	Expiry	Fair Value (\$)
Other KMP						
John Lambert	1-Oct-19	1,200,000	1/4 annually	\$0.165	24-Jun-24	54,168 ¹
Total Other KMP		1,200,000				54,168

¹ Dr Lambert was appointed as Managing Director on 6 February 2020. These options were issued when he was not a member of the Board. There are no performance conditions for the vesting of options unless otherwise noted. The Remuneration Committee decided that time based vesting was the most appropriate form of vesting for the Company. The fair value of the options issued was 4.51 cents each.

No other options were issued to Directors or other Key Management Personnel during the year to 31 March 2020.

Employment Contracts

John Lambert – CEO & Managing Director

Dr Lambert was appointed CEO on 24 June 2019 and Managing Director on 6 February 2020. His fixed remuneration is \$260,000 per annum plus statutory superannuation. Under the agreement he was granted 1,200,000 options with an exercise price of \$0.165 and an expiry date of 24 June 2024. Either party may terminate the Employment Agreement by the giving of three month's written notice to the other. Dr Lambert has a short term performance incentive of 25% of fixed remuneration plus statutory superannuation.

Jeff Carter - CFO

On 1 May 2016, the Company entered into a consultancy agreement with Mr Carter's service company, Joblak Pty Ltd. Pursuant to the terms of the Agreement, Mr Carter's company is paid a monthly amount of \$7,525 plus payment for any excess hours for Mr Carter to perform the part time role of Chief Financial Officer of the Company.

Non Executive Directors

There are engagement letters in place for all non-executive directors.

DIRECTORS' AND OTHER KEY MANAGEMENT PERSONNEL EQUITY HOLDINGS

- (i) Options provided as remuneration and shares issued on the exercise of such options are outlined below. The terms and conditions of the options issued during the year ended 31 March 2021 can be found above ("Options Issued as part of Remuneration for the year ended 31 March 2021"). The terms and conditions of the options issued during the year ended 31 March 2020 can be found above ("Options Issued as part of Remuneration for the year ended 31 March 2020").
- (ii) The number of unlisted options over ordinary shares in the company held by each director of the company and other KMP (including related parties) of the Group are set out below including all options that are vested and exercisable at year end.

2021 - Options	Balance at start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Other	Balance at the end of the year	Vested and exercisable at year end
Directors							
<i>Non Executive</i>							
Warwick Tong	165,000	-	-	-	-	165,000	165,000
Christopher Burns	30,000	-	-	-	-	30,000	30,000
Robert Peach	980,000	-	-	-	-	980,000	740,000
<i>Executive</i>							
John Lambert	2,000,000	-	-	-	-	2,000,000	725,000
Total Directors	3,175,000	-	-	-	-	3,175,000	1,660,000
Other KMP							
Jeff Carter	-	500,000	-	-	-	500,000	500,000
Total Other KMP	-	500,000	-	-	-	500,000	500,000

- (iii) The number of shares in the Company held by each director of the company and other KMP (including related parties) of the Group are set out below

Directors' Report

for the year ended 31 March 2021

2021 - Shares	Balance at start of the year	Granted during the year as compensation	Received during the year upon exercise of options	Other changes during the year	Other	Balance at the end of the year
Directors						
<i>Non Executive</i>						
Warwick Tong	1,991,428	413,712 ¹	-	350,000 ²	-	2,755,140
Christopher Burns	2,275,237	197,006 ¹	-	-	-	2,472,243
Robert Peach	1,056,000	275,808 ¹	-	-	-	1,331,808
<i>Executive</i>						
John Lambert	100,000	-	-	120,000 ²	-	220,000
Total Directors	5,422,665	886,526	-	470,000	-	6,779,191
Other KMP						
Jeff Carter	-	-	-	32,000 ³	302,081 ⁴	334,081
Total Other KMP	-	-	-	32,000	302,081	334,081

1 Received as payment for director fees as approved by shareholders.

2 Received through participation in rights issue and/or Directors' & Management placement as approved by shareholders.

3 Transfer off market plus participation in rights issue and/or Directors' & Management placement as approved by shareholders.

4 These shares are held by a superannuation fund which is managed and controlled by a corporate trustee.

OTHER

Loans to Directors and Other Key Management Personnel

There were no loans to any directors of the Company or other KMP of the Group during the financial year ended 31 March 2021.

Other Transactions with Directors and Other Key Management Personnel

There were no other transactions with directors of the Company or other KMP of the Group during the financial year.

Consequences of Performance on Shareholder Wealth

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

Item	2021	2020	2019	2018	2017
EPS (cents)	(2.41)	(4.58)	(4.56)	(19.0)	(33.3)
Dividends (cents)	-	-	-	-	-
Net profit/loss (\$000)	(2,281)	(2,219)	(1,870)	(4,297)	(7,076)
Share Price - (cents)	26	6	14	76	765

END OF REMUNERATION REPORT

OPTIONS

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

Expiry Date	Exercise Price (\$)	Number as at 31 March 2021	Number exercised/ lapsed during year ended 31 March 2021	Number issued/ exercised post reporting date
31-Mar-22	0.59	1,370,000	-	-
30-Jun-22	0.14	5,542,079	-	(133,731)
31-Aug-22	0.59	750,000	-	-
31-Aug-23	0.59	960,000	-	-
10-May-24	0.4275	-	-	500,000
24-Jun-24	0.155	1,200,000	-	(130,000)
2-Sep-25	0.15	720,000	-	-
2-Sep-25	0.20	2,000,000	-	-
2-Sep-25	0.20	1,000,000	-	-
		13,542,079	-	236,269

The number of shares under option, on the date of this report, was 13,778,348.

DIRECTORS' INTERESTS

Particulars of Directors' interests in shares and options as at the date of this report are as follows:

	Ordinary Shares	Options
Warwick Tong	2,755,140	165,000
Robert Peach	1,331,808	980,000
Christopher Burns	2,472,243	30,000
John Lambert	350,000	1,870,000
Jane Bell	277,163	-
	7,186,354	3,045,000

The above table only includes details for Directors that were Directors at the date of this report. Further information regarding the above interests and net movements throughout the reporting period is disclosed in Note 9 (Related Parties) to the Financial Statements accompanying this Directors' Report.

Directors' Report

for the year ended 31 March 2021

MEETINGS OF DIRECTORS

During the financial year, meetings of directors (including committee meetings) were held.

Attendances were:	DIRECTORS' MEETINGS		AUDIT COMMITTEE MEETINGS		REMUNERATION COMMITTEE MEETINGS	
	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended
Warwick Tong	13	13	7	7	-	-
Robert Peach	13	13	-	-	3	3
Christopher Burns	13	11	7	7	3	3
John Lambert	13	13	-	-	-	-

AUDIT COMMITTEE

The Group has an Audit Committee. Details of the composition, role and Terms of Reference of the Audit Committee are contained in the Statement of Corporate Governance Practices and are available on the Company's website at <http://www.ampliatx.com/site/About-Us/corporate-governance>.

During the reporting period, the Audit Committee consisted of the following Non-executive, Independent Directors:

Mr Christopher Burns (Chairman)

Mr Warwick Tong

The Group's lead signing and review External Audit Partner, CEO, CFO and selected consultants attend meetings of the Audit Committee by standing invitation.

DIRECTORS' AND AUDITORS' INDEMNIFICATION

During or since the end of the financial year the company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- The Company entered into Deeds of Indemnity, Insurance and Access in favour of all directors.
- The Company has paid premiums to insure all directors of the parent entity and officers of the consolidated entity against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

DIRECTORS' BENEFITS

Since 1 April 2020, no director has received or become entitled to receive a benefit because of a contract made by the Company, or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest.

This statement excludes a benefit included in the aggregate amount of remuneration received or due and receivable by directors and shown in the company's accounts, or the fixed salary of a full-time employee of the parent entity, controlled entity, or related body corporate.

NON-AUDIT SERVICES

The external auditors, Grant Thornton, were engaged to provide tax compliance and other accounting services and were paid \$7,500 for these services in 2021 (2020 \$7,000).

AUDIT INDEPENDENCE

The lead auditor has provided the Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 31 March 2021 and a copy of this declaration forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors.



Warwick Tong
Chairman

29 June 2021



John Lambert
CEO & Managing Director

Auditor's Independence Declaration

for the year ended 31 March 2021



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Auditor's Independence Declaration

To the Directors of Amplia Therapeutics Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Amplia Therapeutics Limited for the year ended 31 March 2021, 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.

A handwritten signature in black ink that reads "Grant Thornton".

Grant Thornton Audit Pty Ltd
Chartered Accountants

A handwritten signature in black ink that reads "T S Jackman".

T S Jackman
Partner – Audit & Assurance

Melbourne, 29 June 2021

Grant Thornton Audit Pty Ltd ACN 130 913 594
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Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 March 2021

	Note	Year ended March 2021 \$	Year ended March 2020 \$
Other operating income	4	1,591,241	34,227
Total other operating income		1,591,241	34,227
Research and development expenses		(2,211,822)	(1,071,677)
Patent and associated expenses		(312,012)	(123,218)
General and administration expenses		(1,134,749)	(858,886)
Depreciation & amortisation		(672)	(801)
Share based compensation (employee & non-employee)		(214,432)	(202,835)
Operating deficit before financing costs		(3,873,687)	(2,223,190)
Interest income		1,293	3,716
Net financial expense		1,293	3,716
Loss before income tax expense		(2,281,153)	(2,219,474)
Income tax expense/(benefit)	12	-	-
Loss after income tax expense/(benefit)		(2,281,153)	(2,219,474)
Other comprehensive income/(loss)			
<i>Items that may be subsequently reclassified to profit/loss</i>			
Exchange differences of foreign exchange translation		-	-
Total comprehensive loss		(2,281,153)	(2,219,474)
Basic and diluted earnings per share (weighted)	18	(2.4)	(4.6)

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position

for the year ended 31 March 2021

	Note	Year ended March 2021 \$	Year ended March 2020 \$
Current assets			
Cash and cash equivalents	3	1,848,408	1,108,115
Prepayments		45,979	24,420
Research & development tax incentive receivable		1,000,000	34,227
Other current assets		41,299	10,894
Total current assets		2,935,686	1,177,656
Non current assets			
Property, plant and equipment	5	5,471	797
Intangible assets	6	7,937,932	7,937,932
Total non current assets		7,943,403	7,938,729
Total assets		10,879,089	9,116,385
Current liabilities			
Accounts payable and accrued liabilities	7	539,130	510,620
Total current liabilities		539,130	510,620
Non current liabilities			
Total liabilities		539,130	510,620
Equity			
Paid-in capital	15	136,554,307	132,903,135
Reserves		(1,007,113)	(1,371,288)
Accumulated losses		(125,207,235)	(122,926,082)
Total equity		10,339,959	8,605,765
Total equity and liabilities		10,879,089	9,116,385

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity

for the year ended 31 March 2021

	Paid-in Capital \$	Share Option Reserve \$	Foreign Currency Translation \$	Accumulated Losses \$	Total equity \$
Balance at 1 April 2019	130,945,206	454,812	(1,818,617)	(120,916,926)	8,664,475
(Loss) after income tax for the year	-	-	-	(2,219,474)	(2,219,474)
Other comprehensive (loss) after tax	-	-	-	-	-
Total comprehensive (loss)	-	-	-	(2,219,474)	(2,219,474)
Issue of shares	2,149,413	-	-	-	2,149,413
Capital raising/issuing costs	(191,484)	-	-	-	(191,484)
Expired/lapsed options	-	(210,318)	-	210,318	-
Issue/vesting of share options	-	202,835	-	-	202,835
	1,957,929	(7,483)	-	(2,009,156)	(58,710)
Balance at 31 March 2020	132,903,135	447,329	(1,818,617)	(122,926,082)	8,605,765
(Loss) after income tax for the year	-	-	-	(2,281,153)	(2,281,153)
Other comprehensive (loss) after tax	-	-	-	-	-
Total comprehensive (loss)	-	-	-	(2,281,153)	(2,281,153)
Issue of shares	4,127,358	-	-	-	4,127,358
Options exercised	75,733	-	-	-	75,733
Capital raising/issuing costs	(551,919)	149,743	-	-	(402,176)
Expired/lapsed options	-	-	-	-	-
Issue/vesting of share options	-	214,432	-	-	214,432
	3,651,172	364,175	-	(2,281,153)	1,734,194
Balance at 31 March 2021	136,554,307	811,504	(1,818,617)	(125,207,235)	10,339,959

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows

for the year ended 31 March 2021

	Note	Year ended March 2021 \$	Year ended March 2020 \$
Cash flows from operating activities			
Interest received		1,852	3,158
R&D incentive received		567,748	-
Government Covid-19 bonuses		57,720	-
Payments to suppliers		(2,935,297)	(1,569,367)
Payments to employees		(608,278)	(521,768)
Net cash outflow from operating activities	14	(2,916,255)	(2,087,977)
Cash flows from investing activities			
Purchase of property, plant and equipment		(5,347)	-
Disposal of property, plant and equipment		-	-
Net cash inflow/(outflow) from investing activities		(5,347)	-
Cash flows from financing activities			
Issue of shares		4,063,564	2,149,413
Capital raising/issuing listing costs		(400,258)	(191,484)
Net cash inflow from financing activities		3,663,306	1,957,929
Net increase/(decrease) in cash held		741,704	(130,048)
Foreign exchange effect on cash and cash equivalent balances		(1,411)	(2,746)
Cash at the beginning of the year		1,108,115	1,240,909
Cash at the end of the year		1,848,408	1,108,115
Cash balances in the statement of financial position			
Cash and cash equivalents	3	1,848,408	1,108,115
Closing cash balance		1,848,408	1,108,115

The accompanying notes form part of these financial statements

Notes to the Financial Statements

for the year ended 31 March 2021

Table of Notes

1. Summary of significant accounting policies	24
2. Critical Estimates and Judgements	29
3. Cash and Cash Equivalents	30
4. Operating Loss	30
5. Property, Plant & Equipment	31
6. Intangible Assets	32
7. Accounts Payable and Accrued Liabilities	32
8. Subsidiaries	32
9. Related Parties	33
10. Share Based Compensation	33
11. Segment Information	35
12. Provision for Income Tax	35
13. Commitments and Contingent Liabilities	37
14. Reconciliation of Net Deficit after Taxation to Cash Flows from Operating Activities	37
15. Shareholders' Equity	38
16. Financial Instruments	39
17. Auditors Remuneration	40
18. Earnings Per Share	41
19. Capital Management	41
20. Subsequent Events	41

Notes to the Financial Statements

for the year ended 31 March 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements presented are for the entity Amplia Therapeutics Limited and its controlled entities as a consolidated entity (the "Group").

The financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. Compliance with Australian Accounting Standards ensures the consolidated financial statements and notes of the Group comply with International Financial Reporting Standards ("IFRS"). Amplia is a for profit entity for the purposes of reporting under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of financial assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

In applying Australian Accounting Standards management must make judgement regarding carrying values of assets and liabilities that are not readily apparent from other sources. Assumptions and estimates are based on historical experience and any other factors that are believed reasonable in light of the relevant circumstances. These estimates are reviewed on an ongoing basis and revised in those periods to which the revision directly affects.

All accounting policies are chosen to ensure the resulting financial information satisfies the concepts of relevance and reliability.

(b) Principles of Consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the Group, being the company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 10 Consolidated Financial Statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each subsidiary from the date on which the company obtains control and until such time as the company ceases to control such entity. In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising with the consolidated entity are eliminated in full.

A list of controlled entities is found in Note 8 of the Financial Statements.

(c) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, at call deposits with banks or financial institutions, bank bills and investments in money market instruments where it is easily convertible to a known amount of cash and subject to an insignificant risk of change in value.

(d) Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. In the event settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is calculated on a diminishing value basis to expense the cost of the assets over their estimated useful lives and reflects the pattern of consumption of the future economic benefits of these assets and is as follows:

Leasehold improvements	4 to 13 years
Plant and equipment	4 to 11 years
Office furniture and fittings	2 to 13 years

Depreciation is charged to profit or loss within the Statement of Profit or Loss and Other Comprehensive Income. The residual value and useful life of property, plant and equipment is reassessed annually.

Repairs and maintenance and gains or losses on sale or disposal of assets are reflected in profit or loss within Statement of Profit or Loss and Other Comprehensive Income as incurred. Major renewals and betterments are capitalised.

(e) Foreign Currencies

The functional and presentation currency of the Group is Australian dollars.

Transactions denominated in foreign currencies are converted at the exchange rate current at the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted at exchange rates current at reporting date. Foreign exchange gains or losses are included in profit or loss within the Statement of Profit or Loss and Other Comprehensive Income.

(f) Research and Development

Research expenses include direct and overhead expenses for drug discovery and research, pre-clinical trials and, more recently, for costs associated with clinical trial activities and drug manufacturing industrialisation.

When a project reaches the stage where it is reasonably certain that future expenditure can be recovered through the processes or products produced, development expenditure is recognised as a development asset (other intangible asset).

(g) Share Capital

Ordinary shares are classified as equity. Costs associated with the issue of raising capital are recognised in shareholders' equity as a reduction of the share proceeds received. Other expenses such as legal fees are charged to profit and loss within the Statement of Profit or Loss and Other Comprehensive Income in the period the expense is incurred.

(h) Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the company, 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.

Diluted Earnings Per Share

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

Notes to the Financial Statements

for the year ended 31 March 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

(i) Goods & Services Tax

The Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows have been prepared so that all components are presented exclusive of GST. All items in the Statement of Financial Position are presented net of GST, with the exception of receivables and payables, which include GST invoiced.

(j) Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss within the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognised directly in Other Comprehensive Income, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences or unused tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(k) Other Income

Other income is recognised on an accrual basis unless there is significant uncertainty as to the extent and qualifying criteria for future receipt of such other income. If this condition is not met then other income is recognised on a cash basis.

(l) Statement of Cash Flows

The Statement of Cash Flows has been prepared using the direct approach. Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Investing activities are those activities relating to the acquisition, holding and disposal of property, plant and equipment, intangible assets and investments.

Financing activities are those that result in changes in the size and composition of the capital structure. Cash is considered to be cash on hand and current accounts and demand deposits in banks, net of bank overdrafts.

Operating activities are all transactions and events that are not investing or financing activities.

(m) Share-Based Compensation

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees and directors are rewarded using share-based payments, the fair values of employees' and directors' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to share option reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are allocated to share capital.

(n) Finance Income and Expenses

Finance income

Finance income comprises of interest income. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses

Finance expenses comprised of interest expense on borrowings. All borrowing costs are recognised in profit and loss of Statement of Profit or Loss and Other Comprehensive Income using the effective interest method.

(o) Operating Expenses

Operating expenses are recognised in profit or loss within the Statement of Profit or Loss and Other Comprehensive Income upon utilisation of the service or at the date of their origin.

(p) Financial Instruments

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Notes to the Financial Statements

for the year ended 31 March 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Group assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Financial liabilities

The Group's financial liabilities include trade and other payables. All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

All derivative financial instruments that are not designated and effective as hedging instruments are accounted for at fair value through profit or loss.

Derivative financial instruments

At the reporting date the Group did not undertake any form of hedge accounting.

Determination of fair value and fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: Quoted prices in active markets for the same instrument (i.e. without modification or repackaging);
- Level 2: Quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all significant inputs are based on observable market data and yield curve information provided by the Group's bankers; and
- Level 3: Valuation techniques for which significant inputs are not based on observable market data.

(q) Post Employment Benefits and Short Term Employee Benefits

The Group does not provide any post employment benefits other than superannuation contributions where required by statutory obligations. Short term employee benefits are included in current liabilities, measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement. There are no long term employee benefits.

(r) Segment Reporting

A segment is a component of the Group entity that earns revenues or incurs expenses whose results are regularly reviewed by the chief operating decision makers and for which discrete financial information is prepared. The Group has no operating segments, management review financial information on a consolidated basis. It has established entities in more than one geographical area, however the activities from these entities comparative to the Group are considered immaterial for the purposes of segment reporting.

(s) Intangible Assets

Intangible assets are carried at cost and are amortised over the life of the intangible asset. The licenses acquired, by the acquisition of Amplia Therapeutics Pty Ltd, were valued at the deemed acquisition value. The licences are not yet ready for use and hence, no amortisation has been made for the current year.

(t) Going Concern

The financial statements have been prepared on a going concern basis after taking into consideration the net loss for the year of \$2,281,153 and the cash and cash equivalents balance of \$1,848,408. The going concern basis contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The going concern of the Group is dependent upon it maintaining sufficient funds for its operations and commitments. Accordingly, the financial statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

The Company has the exclusive worldwide license to develop and commercialise the drug candidates AMP945 and AMP886. The exploitation of these licenses will require future funding. The Directors believe that they will be able to raise sufficient capital to fund the Group's future operations. The Directors continue to monitor these ongoing funding requirements and are of the opinion that the financial statements have been appropriately prepared on a going concern basis.

In March 2020, the World Health Organisation declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. The Company conducts manufacturing of its drug candidates, which are used for trial purposes, using overseas suppliers. Continued outbreaks of COVID-19 may cause business disruption to supplies of product. There is uncertainty around the consequences of such disruptions and as such, the Company is unable to determine if such disruptions would have a material impact to its operations. However, at this stage the directors do not believe this will impact the going concern of the Company.

2. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 4 - Estimate and receipt of the R&D future tax incentive accrued. This is based on management's assessment of the qualifying R&D expenses and the expected recoverability of this government R&D tax incentive payment.
- Note 6 - The Group assesses the impairment of non-financial assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment by comparing the carrying value to the recoverable amount. The recoverable amount of the asset is determined using a number of key estimates and assumptions including recent clinical trial results, other publicly available information and the market capitalisation of the company.

Notes to the Financial Statements

for the year ended 31 March 2021

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	March 2021 \$	March 2020 \$
Cash at bank (NZD)	1,956	13,411
Cash at bank (AUD)	101,811	90,860
Cash at bank (EUR)	77	90
Demand deposits (AUD)	1,744,564	1,003,754
	1,848,408	1,108,115

4. OPERATING LOSS

Operating loss from continuing activities is stated after crediting and charging:

	March 2021 \$	March 2020 \$
<i>Crediting:</i>		
Government Covid-19 bonuses	57,720	-
R&D tax incentive received in excess of the amount accrued in the prior year	533,521	34,227
R&D future tax incentive accrued	1,000,000	-
Interest received	1,293	3,716
Foreign exchange gain/<loss>	<1,382>	<1,698>
<i>Charging:</i>		
Depreciation - Office furniture and fittings	672	801
Employee benefits	677,951	505,117
Share based compensation - directors & employees	184,432	202,836
Share based compensation - consultants	30,000	-

The Group's other income includes R&D incentive payment received in relation to qualifying 2020 R&D expenditure. This was not accrued in 2020 as the Overseas Finding Application had not yet been lodged and approved by AusIndustry at the time of signing those Financial Statements.

5. PROPERTY, PLANT & EQUIPMENT

	Office Furniture and Fittings \$	Total \$
Gross carrying amounts		
Balance at 1 April 2019	3,188	3,188
Additions	-	-
Disposals	-	-
Balance at 31 March 2020	3,188	3,188
Balance at 1 April 2020	3,188	3,188
Additions	5,346	5,346
Disposals	-	-
Balance at 31 March 2021	8,534	8,534
Balance at 1 April 2019	1,590	1,590
Depreciation for the year	801	801
Disposals	-	-
Balance at 31 March 2020	2,391	2,391
Balance at 1 April 2020	2,391	2,391
Depreciation for the year	672	672
Disposals	-	-
Foreign currency translation	-	-
Balance at 31 March 2021	3,063	3,063
Carrying amounts		
At 31 March 2020	797	797
At 31 March 2021	5,471	5,471

At the reporting date no items of property, plant and equipment were held under finance leases (March 2020 nil).

Notes to the Financial Statements

for the year ended 31 March 2021

6. INTANGIBLE ASSETS

	March 2021 \$	March 2020 \$
Licenses - at cost	7,937,932	7,937,932
Less: Accumulated amortisation/impairment	-	-
	7,937,932	7,937,932

On 26 April 2018 the Company's shareholders approved the acquisition of Amplia Therapeutics Pty Ltd via the issue of 18,460,308 shares. The closing share price on that date was 43 cents. The deemed share consideration paid on acquisition was therefore \$7,937,932. The only asset of Amplia Therapeutics at acquisition was an exclusive worldwide license to develop and commercialise the drug candidates AMP945 & AMP886.

The Company assesses at each reporting date whether there is objective evidence that an asset or group of assets is impaired. Where the estimated recoverable amount of the asset is less than its carrying amount, the asset is written down and the impairment loss is recognised in profit or loss within the Statement of Profit or Loss and Other Comprehensive Income. The Company determined that no impairment was necessary for the current year.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 2021 \$	March 2020 \$
Trade accounts payables	416,833	474,072
Employee related payables	122,297	25,934
Preference shares unpaid	-	10,614
	539,130	510,620

8. SUBSIDIARIES

Entity	Principal Activity	Country of Incorporation	Percentage Owned (%)	
			2021	2020
<i>Head Entity</i>				
Amplia Therapeutics Limited	Research & Development	Australia	N/A	N/A
<i>Subsidiaries of Amplia Therapeutics Limited</i>				
Amplia Therapeutics (UK) Limited	Research & Development	United Kingdom	100	100
ACN 612 556 948 Pty Ltd (formerly Amplia Therapeutics Pty Ltd)	Licence holding company	Australia	100	100

9. RELATED PARTIES

(a) Parent Entity

The immediate parent and ultimate controlling party of the Group is Amplia Therapeutics Limited. Interests in subsidiaries are set out in Note 8.

(b) Directors & Other Key Management Personnel Remuneration

The total compensation to directors and other key management personnel during the year was:

	March 2021 \$	March 2020 \$
Short-term benefits (including performance bonuses)	540,937	534,857
Post-employment benefits	25,556	13,154
Share based payments	103,920	202,836
	670,413	750,847

10. SHARE BASED COMPENSATION

On 12 November 2013 an Employee Option was implemented (the "Employee Plan"). The Employee Plan was also approved by shareholders at the Company's Annual General Meeting held on 30 August 2019. Under the terms of the Employee Plan, the Board nominates participants in the Employee Plan and in respect of each nomination the Board determines the number of options and exercise prices (which shall not be below the share price on the date of the grant). The Employee Plan establishes an option limit which shall not exceed 10% of the diluted ordinary share capital of the Company as at the date of issue.

Options granted are cancelled if not exercised within one month of the termination of the grantee's employment or association with the Company, except in certain situations such as death or disability, or at the discretion of the Board. All options are exercisable into ordinary shares on a one for one basis.

The fair value of options granted is estimated using the Black-Scholes option-pricing model. For options granted in the year ended 31 March 2021 the following detail was used to estimate the fair value of options granted:

	Directors	Employees	Consultants
Grant date	n/a	2/9/20	2/9/20
Share price	n/a	\$0.13	\$0.08 ¹
Exercise price	n/a	\$0.20	\$0.15
Expected volatility	n/a	80%	80%
Option lives (at issue)	n/a	5 years	5 years
Expected dividend yield	n/a	0%	0%
Risk free interest rate	n/a	0.45%	0.50%
Fair value at grant date	n/a	7.16 cents	4.34 cents ¹

¹ This share price and valuation was determined at the time of negotiation of the agreement in April 2020.

Notes to the Financial Statements

for the year ended 31 March 2021

10. SHARE BASED COMPENSATION continued

	March 2021		March 2020	
	Number of options	Weighted Average Exercise price	Number of options	Weighted Average Exercise price
Directors Options				
Share options on issue at start of year	4,280,000	\$0.47 ¹	2,505,000	\$0.84
Share options transferred from Employee options	-	-	1,950,000	\$0.33
Share options granted	-	-	-	-
Share options forfeited/lapsed	-	-	-	-
Share options exercised	-	-	-	-
Share options expired	-	-	(175,000)	\$4.00
Share options on issue at end of period	4,280,000	\$0.47	4,280,000	\$0.48
Share options exercisable at end of period	2,182,500	\$0.53	770,000	\$0.60
<i>Weighted average remaining contractual life (years)</i>		2.0		3.0
Employee Options				
Share options on issue at start of year	-	-	765,000	\$0.67
Share options transferred to Director options	-	-	(1,950,000)	\$0.33
Share options granted	1,000,000	\$0.20	1,200,000	\$0.17
Share options exercised	-	-	-	-
Share options forfeited/lapsed	-	-	-	-
Share options expired	-	-	(15,000)	\$4.00
Share options on issue at end of period	1,000,000	\$0.20	-	-
Share options exercisable at end of period	1,000,000	\$0.20	-	-
<i>Weighted average remaining contractual life (years)</i>		4.4		-
Consultant Options				
Share options on issue at start of year	-	-	-	-
Share options granted	720,000	\$0.15	-	-
Share options exercised	-	-	-	-
Share options forfeited/lapsed	-	-	-	-
Share options expired	-	-	-	-
Share options on issue at end of period	720,000	\$0.15	-	-
Share options exercisable at end of period	720,000	\$0.15	-	-
<i>Weighted average remaining contractual life (years)</i>		4.4		-

¹ The option exercise price was adjusted per ASX listing rule - refer ASX announcement dated 2 November 2020.

The above details relate to share based compensation granted to directors, employees and consultants. Share based compensation granted as consideration for injunction with the issue of shares (e.g. thru the rights issue and/or placements) which were granted to them in their capacity as financiers, are separately included within the Financing Options table below.

Share based compensation granted as part of financing arrangements during 2021 & 2020 was:

	March 2021		March 2020	
	Number of options	Weighted Average Exercise price	Number of options	Weighted Average Exercise price
Financing Options				
Share options on issue at start of year	6,073,688	\$0.14 ¹	-	-
Share options granted	2,000,000 ³	\$0.20	6,073,688 ²	\$0.15
Share options transferred	-	-	-	-
Share options exercised	(531,609)	\$0.14	-	-
Share options expired	-	-	-	-
Share options on issue at end of period	7,542,079	\$0.16	6,073,688	\$0.15
Share options exercisable at end of period	7,542,079	\$0.16	6,073,688	\$0.15
<i>Weighted average remaining contractual life (years)</i>		1.6		2.3

1 The option exercise price was adjusted per ASX listing rule - refer ASX announcement dated 2 November 2020.

2 These options were granted in conjunction with the placements and rights issues undertaken during the period June to August 2019.

3 These options were granted, to the lead manager, in conjunction with the placements and rights issues undertaken in July 2020.

11. SEGMENT INFORMATION

The Group has no operating segments as management review financial information on a consolidated basis. During the 2021 financial period the Group conducted all its activities in Australia.

12. PROVISION FOR INCOME TAX

In assessing the reliability of deferred tax assets, management considers whether it is probable that all of the deferred tax asset will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income and compliance with continuity of ownership requirements.

Based upon the level of projections for future taxable income over the periods in which the temporary differences are available to reduce income taxes payable, and uncertainties over continuity of ownership having regard to the Company's equity raisings, management has established a valuation provision for the full amount of the deferred tax assets related to the net operating loss carried forward.

The Group is a resident for Australian tax purposes and is subject to the statutory tax rate in Australia applicable to the size of the Group i.e. 26% (2020: 27.5%). The recoverability of prior tax losses will be dependent on the Group meeting either the "continuity of ownership test" or the "continuity of business test". The Group believes that it will meet one of these tests but regardless, has not recognised the tax benefit of any tax losses carried forward.

Notes to the Financial Statements

for the year ended 31 March 2021

12. PROVISION FOR INCOME TAX continued

The provision for income taxes for continuing operations differs from the amount computed by applying the statutory rates to the Company's earnings from continuing operations before taxes as a result of the following differences:

	Year ended March 2021 \$	Year ended March 2020 \$
Loss before taxation	(2,281,153)	(2,219,474)
Provision for income taxes at statutory rates	(593,100)	(610,355)
Tax effect of permanent differences		
Share based compensation	55,752	55,780
Licence payments	70,825	19,482
Other non-deductible/(non-assessable) items	-	486
Research & development	198,986	-
Unrecognised temporary differences	(44,755)	-
Unrecognised tax losses	312,292	534,607
Income tax expense	-	-

The tax effect of temporary differences that give rise to deferred tax assets and liabilities are as follows:

Provision for holiday pay	5,582	1,988
Other accruals	8,580	7,975
Section 40-880 deduction carry forward	120,003	53,232
Patent application costs carry forward	34,361	-
Net operating loss to carry forward	1,639,516	1,835,950
Total deferred tax assets at 26% (2020: 27.5%)	1,808,042	1,899,145
Deferred tax not recognised	1,808,042	1,899,145
Net deferred tax asset	-	-

The gross amount of Australian based tax losses and deductible temporary differences for which no deferred tax asset was recognised is \$6,954,008 (2020: \$6,905,981).

13. COMMITMENTS AND CONTINGENT LIABILITIES

Licenses (AMP945 & AMP886)

Under the in-licence agreement with Cancer Research Technology Limited (“CRT”) the company must use the Company must use commercially reasonable efforts to develop AMP945 by filing an Investigational New Drug (“IND”) application or commence a Phase 1 trial within two years. This obligation was met in October 2020 when the Company initiated a Phase 1 trial of AMP945. For AMP886, the Company agreed to file IND or commence a Phase 1 trial within three years. In March 2021, CRT agreed to extend the timeline in which the Phase 1 trials for AMP886 be initiated. Under the license agreement there is an annual maintenance fee of between US\$15,000 and US\$20,000 per annum. Additionally, under this agreement there are various milestone payments under the license agreement totalling US\$50,000 for the commencement of a further Phase 1 clinical trial and US\$150,000 for the allowance of the two IND’s. Further milestone payments would only become due and payable upon commencing Phase 2 and 3 studies, regulatory approvals and ultimately commercialisation.

Intellectual Property Royalties on the Use of MIS416 – Vendors

The Company must pay to the original Vendors 3.25% of net revenues on any product sales and licence revenues arising from the use of MIS416 to treat radiation injury, as described in a number of granted patents and patent applications having a priority date in 2009, expiring at the end of the respective patent periods.

Collaborations

The Group has not entered into any formal collaborative arrangements that give rise to significant contingencies or capital commitments as at 31 March 2021 (March 2020: Nil).

14. RECONCILIATION OF NET DEFICIT AFTER TAXATION TO CASH FLOWS FROM OPERATING ACTIVITIES

	March 2021 \$	March 2020 \$
Net Deficit after Tax	(2,281,153)	(2,219,474)
Non Cash Items:		
Depreciation	672	801
Share based compensation – employees & directors	184,432	202,835
Share based compensation – non employees	30,000	-
Director fees (current year) paid in shares	17,500	-
Director fees (prior year) paid in shares	122,027	-
Other	124	2,746
Changes in Working Capital:		
Accounts receivable and prepayments	(1,018,367)	(58,646)
Accounts payable and accruals	28,510	(16,239)
Net Cash Outflow From Operating Activities	(2,916,255)	(2,087,977)

Notes to the Financial Statements

for the year ended 31 March 2021

15. SHAREHOLDERS' EQUITY

Ordinary Shares

At 31 March 2021, 107,972,609 ordinary shares (March 2019: 66,463,185) were issued and fully paid. All ordinary shares rank equally as to voting, dividends and liquidation. There are no reserved shares of the Group. The shares have no par value.

	March 2021		March 2020	
	No. of shares	\$	No. of shares	\$
At start of the period	66,463,185	132,903,135	41,023,303	130,945,206
Placement of shares 14 June 2019	-	-	3,600,000	360,000
Rights issue 31 July 2019	-	-	6,847,282	688,931
Placement of shares 31 August 2019	-	-	1,700,000	170,000
Placement of shares 24 January 2020	-	-	13,292,600	930,482
Institutional rights issue 10 July 2020	19,876,602	1,987,660	-	-
Retail rights issue 4 August 2020	20,001,705	2,000,171	-	-
Issue to Directors in lieu of fees 18 September 2020	1,099,508	139,527	-	-
Exercise of options during the period	531,609	75,733	-	-
Other costs	-	(551,923)	-	(191,484)
At end of period	107,972,609	136,554,303	66,463,185	132,903,135

Shares Issued

During the year a total of 41,509,424 (March 2020: 25,439,882) were issued.

Options

The Company has on issue 13,542,079 share options to employees, directors and non-employees as at 31 March 2021 (March 2020: 10,353,688). During the period 3,720,000 (March 2020: 7,273,688) options were issued and 531,609 (March 2020: nil) were exercised. No options expired unexercised.

Share Based Compensation

The movement in fair value of employee, director and non-employee share options of \$214,432 (March 2020: \$202,835) corresponds with the amount recorded in expenses during the period and represents the fair value of vested and issued options.

Share Option Reserve

The share option reserve is used to record the fair value of options as at each reporting date. The values of options are transferred between equity components as they expire/lapse/are exercised.

Foreign Currency Translation Reserve

The foreign currency translation reserve is used to allow for translation differences on conversion from the functional currency to the presentational currency.

16. FINANCIAL INSTRUMENTS

Categories of financial instruments, including fair value of financial instruments

The classification of each class of financial assets and liabilities, and their fair values are as follows:

	March 2021		March 2020	
	Carrying Amounts \$	Fair Value \$	Carrying Amounts \$	Fair Value \$
Non derivative financial assets				
Loans and Receivables				
(i) Accounts receivable	-	-	-	-
(ii) Other receivables	1,000,000	1,000,000	-	-
Non derivative financial liabilities				
At Amortised Cost				
(i) Accounts payable and accrued liabilities	539,130	539,130	510,620	510,620

Financial Risks

The financial risks associated with the Group's financial assets and liabilities include credit risk, interest rate risk, liquidity risk and currency risk.

Credit Risk – Financial instruments that potentially subject the Group to concentrations of credit risk consist principally of cash and cash equivalents, investments, loans and receivables. The maximum credit risk is the face value of these financial instruments. However, the Group considers the risk of non-recovery of these accounts to be minimal.

Maximum Risk Exposure – The maximum credit risk exposures are the carrying amounts of the financial assets and financial liabilities listed under the "Categories of Financial Instruments, including Fair Value of Financial Instruments" table. No financial assets are either past due or impaired. There are no collateral and other credit enhancements for the financial assets.

Currency Risk – Currency risk is the risk of loss to the Group arising from adverse changes in foreign exchange rates. The Group has an Australian dollar presentation currency and is exposed to currency risk in respect of amounts held in foreign currency bank accounts and demand deposits. At 31 March 2021 the Group held NZ\$2,128 (2020: NZ\$13,764) and Euro 50 (2020: 50) in such accounts and deposits. Should exchange rates strengthen by 10% this would have an impact of A\$200 (2020: A\$1,350).

Interest Rate Risk – Interest rate risk is the risk of loss to the Company arising from adverse changes in interest rates. The Group has no interest bearing debt and is only exposed to interest rate risk in respect of amounts held in bank current accounts and demand deposits. At 31 March 2021, the Group held \$1,744,564 (2020: \$1,003,754) in such accounts and deposits. A 50 basis points (0.5%) decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. For each interest rate movement of 50 basis points lower, assuming all other variables were held constant, the Group's loss for the year would increase by \$8,700 (2020: \$5,000).

Notes to the Financial Statements

for the year ended 31 March 2021

16. FINANCIAL INSTRUMENTS continued

Liquidity Risk - Liquidity risk is the risk that the Group will encounter difficulty in raising funds at short notice to meet commitments associated with financial instruments. The Group's non-derivative and derivative financial liabilities have contractual maturities as summarised below:

	Carrying amount	Contractual cash flow maturities				
		Contractual cash flows	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
2021 March						
Accounts payable and accrued liabilities	539,130	539,130	539,130	-	-	-
	539,130	539,130	539,130	-	-	-
2020 March						
Accounts payable and accrued liabilities	510,620	510,620	510,620	-	-	-
	510,620	510,620	510,620	-	-	-

During the year the Group remitted all unpaid and unclaimed redeemable preferences shares (i.e. \$10,614) to the New Zealand Government.

17. AUDITORS REMUNERATION

	March 2021 \$	March 2020 \$
Audit and review of financial statements		
Grant Thornton - Australia	49,500	45,000
Remuneration for audit and review of financial statements	49,500	45,000
Other Services		
Grant Thornton Australia		
Taxation compliance	7,500	7,000
Total other service remuneration	7,500	7,000
Total auditor's remuneration	57,000	52,000

18. EARNINGS PER SHARE

Both basic and diluted earnings per share ("EPS") have been calculated in accordance with paragraph 9 and 18 of AASB 133 using the loss attributable to shareholders of the Group as the numerator (i.e. no adjustments to loss were necessary in 2020 or 2021).

The weighted average number of shares for both basic and diluted EPS in 2020 was 94,692,802 (2020: 48,470,801).

Options have not been included in the weighted average number of ordinary shares outstanding for the purpose of calculating diluted EPS as they do not meet the requirements for inclusion under AASB 133. Options are non-dilutive as the Group result was a loss.

Post Consolidation Basis	March 2021	March 2020
Basic EPS - cents	(2.4)	(4.6)
Diluted EPS - cents	(2.4)	(4.6)

19. CAPITAL MANAGEMENT

When managing capital, management's objective is to ensure that the Group has sufficient cash to continue as a going concern. Until such time as the Group produces revenues from sales or out-licensing, cash principally comes from the issue of new securities to new and/or existing shareholders.

When pricing such new share issues, the Board takes into account multiple factors including:

- Market conditions for high risk investments;
- Estimation of current market value of the Group's IP;
- The dilution effect of new issues on existing shareholders; and
- Whether or not the new issue is restricted to existing shareholders.

Management has no plans to pay a dividend to the holders of ordinary shares until, at the earliest, such time as the Company produces internally generated revenues.

The Group is not subject to externally imposed capital requirements.

20. SUBSEQUENT EVENTS

On 10 May 2021 the Company issued 16,585,000 shares @ 23c per share raising \$3,814,550. The proceeds of this capital raise will be used to fund enabling activities for the Company's planned Phase 2 clinical trials in pancreatic cancer and pulmonary fibrosis and working capital. The Company has committed to prime contracts totalling approximately \$1,800,000 to be executed over the next 12 months.

Other than the above, no other matter or circumstance has arisen since the end of the financial year which is not otherwise dealt with in this report or in the Consolidated Financial Statements 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 in subsequent financial years.

Directors' Declaration

In the opinion of the Directors of Amplia Therapeutics Limited:

- a) The Consolidated Financial Statements and Notes of Amplia Therapeutics Limited are in accordance with the *Corporations Act 2001*, including
 - (i) Giving a true and fair view of its financial position as at 31 March 2021 and its performance for the financial year ended on that date; and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b) There are reasonable grounds to believe that Amplia Therapeutics will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and the Chief Financial Officer for the financial year ended 31 March 2021.

Note 1 confirms that the Consolidated Financial Statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:



Warwick Tong
Chairman



John Lambert
CEO & Managing Director

Dated the 29 of June 2021

Independent Auditor's Report



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Independent Auditor's Report

To the Members of Amplia Therapeutics Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Amplia Therapeutics Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 March 2021, 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 31 March 2021 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 1(t) in the financial statements, which indicates that the Group incurred a net loss of \$2,281,153 during the year ended 31 March 2021 and as at that date had a closing cash balance of \$1,848,408. As stated in Note 1(t), these events or conditions, and other matters as set forth in Note 1(t), 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.

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Independent Auditor's Report



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 (Note 6)	
<p>At 31 March 2021, the Group has intangible assets with a book value of \$7,937,932 relating to AMP886 and AMP945 (the drug candidates). There is a risk that the recoverable value of these assets is lower than their current book value and therefore that impairment should be recognised.</p> <p>As intangible assets are not yet available for use, the drug candidates are monitored closely for any indicators of impairment and tested at least annually for impairment in accordance with AASB 136 <i>Impairment of Assets</i>.</p> <p>This area is a key audit matter due to the significant judgments involved in assessing the valuation of the assets and whether any impairment has occurred.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none">• Obtaining management's impairment assessment and testing the underlying assumptions;• Evaluating management's assessment of the value of each drug candidate, ensuring the inputs and assumptions are appropriate at year end;• Assessing the terms of the licences of the drug candidates to ensure amortisation is not required;• Assessing whether any other indicators of impairment exist;• Considered other qualitative considerations (e.g. market valuation of the company compared to its net assets, recent clinical trial results, capital raising activities, other public information available or press releases); and• Assessing disclosures in the financial statements for adequacy.
R&D Incentives (Note 4)	
<p>The Group receives a 43.5% refundable tax offset of eligible expenditure under the Research and Development (R&D) Tax Incentive scheme if its turnover is less than \$20 million per annum, provided it is not controlled by income tax exempt entities.</p> <p>Management have performed a detailed review of the Company's total research and development expenditure to determine the potential claim under the R&D tax incentive legislation.</p> <p>The process in calculating the R&D tax rebate requires judgment and specialised knowledge in identifying eligible expenditure, which gives rise to anticipated R&D tax incentives. Balances in relation to R&D tax incentives are therefore considered a key audit matter.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none">• Obtaining the AusIndustry approval letter to ensure that the R&D incentive receivable can be recognised and to gain an understanding of the eligible R&D activities;• Comparing the estimates made in prior periods to the amount of rebates received after lodgement of the R&D tax claim;• Consulting our internal R&D tax specialist to review the expenditure methodology employed by management; and• Obtaining R&D rebate calculations for year ended 31 March 2021 completed by management and performing the following audit procedures:<ul style="list-style-type: none">○ Developing an understanding of the model, identifying and assessing key assumptions in the calculation;○ Testing the mathematical accuracy of the accrual;○ Testing a sample of claimed expenditure to source documentation and reviewing the source documentation to verify the expenses are eligible; and○ For labour costs included in the calculation, reviewing the percentage included for appropriateness.• Reviewing disclosures in the notes to the financial statements to ensure adequacy.

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 31 March 2021, 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: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 8 to 14 of the Directors' report for the year ended 31 March 2021.

In our opinion, the Remuneration Report of Amplia Therapeutics Limited, for the year ended 31 March 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 29 June 2021

Shareholder Information

as at 13 July 2021

(a) Number of ATX shareholders	3,288
(b) Total shares issued	124,821,340
(c) Percentage of total holdings by or on behalf of the 20 largest shareholders	54.55%
(d) Distribution schedule of fully paid ordinary shares	

Range	Holders	Units	% of Total Units
1-1,000	1,600	450,120	0.36
1,001-5,000	726	1,882,825	1.51
5,001-10,000	251	1,977,600	1.58
10,001-100,000	568	20,141,558	16.14
100,001 and over	143	100,369	80.41
Total		124,821,340	100.00

(e) Shareholders with less than a marketable parcel: **1,965**

(f) Voting rights: Every member present personally or by proxy or attorney etc, shall, on a show of hands, have one vote and on a poll shall have one vote for every share held.

TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES

Rank	Name	Number of Shares	% of Total Issued Capital
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	20,374,618	16.32
2	BOND STREET CUSTODIANS LIMITED <LAMI - D08047 A/C>	8,750,000	7.01
3	CITICORP NOMINEES PTY LIMITED	5,803,803	4.65
4	BNP PARIBAS NOMS PTY LTD <DRP>	4,595,985	3.68
5	CTXT PTY LTD	4,514,468	3.62
6	ELK RIVER HOLDINGS PTY LTD	2,942,142	2.36
7	CHRISTOPHER JOHN BURNS	2,472,243	1.98
8	WARWICK TONG	2,355,140	1.89
9	34TH AVENUE PTY LTD <DEVLIN FAMILY A/C>	2,215,237	1.77
10	GP SECURITIES PTY LTD	1,930,000	1.55
11	MR ANDREW PODOLAK	1,925,000	1.54
12	MARK SULLIVAN <AEMS CONSULTING A/C>	1,661,428	1.33
13	CANCER RESEARCH TECHNOLOGY LIMITED	1,360,524	1.09
14	HWH POWER PTY LTD <HWH SUPER FUND A/C>	1,270,000	1.02
15	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,058,057	0.85
16	COFACTOR LLC	1,000,000	0.80
16	SWANMARK SUPER PTY LTD <RC SWAN SUPER FUND A/C>	1,000,000	0.80
18	RAVINNA PTY LTD <RAVINNA A/C>	993,992	0.80
19	MR MICHAEL ANDREW WHITING + MRS TRACEY ANNE WHITING <WHITING FAMILY S/F A/C>	940,000	0.75
20	MARGARET FRAME	923,016	0.74
Totals		68,085,653	54.55

Substantial Shareholders	Shares to which Entitled	% of Issued Capital
PLATINUM INVESTMENT MANAGEMENT LIMITED	19,794,000	15.86
BLUEFLAG HOLDINGS PTY LTD AS TRUSTEE FOR THE BLUEFLAG TRUST	7,500,000	7.01

Corporate Directory

AMPLIA THERAPEUTICS LIMITED

ABN 16 165 160 841

A public company incorporated in Victoria and listed on the Australian Securities Exchange (Code: ATX)

Directors

Dr. Warwick Tong
(Non-Executive Chairman)

Dr. John Lambert
(CEO and Managing Director)

Dr. Robert Peach
(Non-Executive Director)

Dr. Christopher Burns
(Non-Executive Director)

Mrs. Jane Bell
(Non-Executive Director)

Management

Dr. John Lambert
(Chief Executive Officer)

Mr. Jeff Carter
(Chief Financial Officer)

Dr. Mark Devlin
(Chief Science Officer)

Dr. Rhiannon Jones
(Director, Operations)

Mr. Andrew J. Cooke
(Company Secretary)

Registered Office

Level 21, 90 Collins Street
Melbourne VIC 3000
Australia

Email: info@ampliatx.com

Website: www.ampliatx.com

Auditors

Grant Thornton Audit Pty Ltd
Australia

Share Registry

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney NSW 2000
Australia

Telephone: 1300 556 161 (within Australia)
+ 61 3 9415 4000 (outside Australia)

Website: www.investorcentre.com/contact

