

2004/2005  
***Annual Report***



**EvoGenix Limited** ABN 33 097 483 068  
**Annual report – 30 June 2005**

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# REPORT FROM THE CHAIRMAN

Dear Shareholder,

I welcome many of you as new shareholders of EvoGenix Limited, following the Company's recent successful capital raising.

During the financial year to June 2005, your Company made major advances towards its goal as an international group developing new products in the fast-growing antibody therapeutics sector. Our principal achievement was the acquisition, on 1 April, 2005, of California-based Absalus Inc. Integration of the Australian and United States operations has already been achieved in a way that has strongly confirmed the expected benefits from the acquisition. As a result, EvoGenix is now offering a fully integrated approach to developing new antibody therapeutics. This approach is being applied in projects commissioned by third parties, as well as in developing valuable new antibody drugs internally. This strategy underpins the Company's focus on achieving an early revenue stream, from licensing of both technology and products.

The global market for antibody drugs is growing rapidly – from around US\$5.4 billion in sales in 2002, it is advancing at a rate of more than 30% annually to a predicted US\$16.7 billion by 2008. EvoGenix is now well positioned to participate in this growing sector. If you would like more information on the Company's technology and products under development, these are explained in our prospectus, which is available for download from our web site ([www.evogenix.com](http://www.evogenix.com)) or can be obtained from the EvoGenix office using the contact details listed on the last page of this report.

The Company's financial results and the Statement of Financial Position shown in this report, reflect the Company's financial situation prior to its successful capital raising of \$9.0m and subsequent listing on the Australian Stock Exchange, which occurred on August 11, 2005. They also reflect the process of the acquisition of Absalus Inc, with the integrated company in operation for only the last quarter of the financial year. Accordingly, we would draw your attention to the fact that the results and financial position of the Company, as disclosed in these accounts, are not indicative of the Company's current financial position or expected performance moving forward.

With our capital raising behind us, we are now focused on investing the funds raised in progressing our product candidates through to licensing stage. As it will be our first year of operations following the capital raising and establishment of our international structure, the Company expects to make a loss in the 2005/6 financial year.

Yours faithfully



Chris Harris  
Chairman.  
2nd September, 2005.

## Directors' Report

Your directors present their report on the consolidated entity consisting of EvoGenix Limited and the entity it controlled at the end of the year ended 30 June 2005.

### Directors

The following persons were directors of the company during the financial year and up to the date of this report:

Christopher Lee Harris (Chairman)  
George Jessup  
Marilyn Joy Sleigh  
Robin Arthur Beaumont

Gordon Stuart Black was a director during the year until his resignation on 27 June 2005. Steffen Nock was appointed a director on 1 April 2005 and continues in office at the date of this report.

### Directors' Qualifications, Experience & Responsibilities

#### **Non-Executive Chairman, Chris Harris, B.Ec, FCPA FAICD**

Chris Harris (Chairman) is a former Group Managing Director of pharmaceutical company F.H. Faulding & Co. Limited (now Mayne Health). His earlier roles with the same company were as Finance Director and Chief Operating Officer. Since leaving Faulding in 1993, Mr Harris has had a distinguished record of leadership as a Director and Chair of major Australian companies. He is currently Chair of Argo Investments Limited, and non-executive director of McGuigan Simeon Wines Limited, Adelaide Brighton Limited, the South Australian Motor Accident Commission, United Water International Pty Limited and JM Financial Group Limited. Mr Harris provides strategic leadership for the board and the company, supported by his extensive experience in financial and company management and in the pharmaceutical industry. Mr Harris is the chairman of the Company's nomination and remuneration committee and serves on the Company's audit committee.

#### **Executive Director, Marilyn Sleigh, BSc PhD, Dip Corp Mgt FTSE FAICD Managing Director and Chief Executive Officer**

Dr Marilyn Sleigh has served as Chief Executive Officer and Managing Director of the Company since October, 2001. Dr Sleigh has had extensive relevant scientific research and management experience as a Chief Research Scientist and Assistant Chief of Division with CSIRO (1978-1993) and as a Dean of Science at the University of New South Wales (1997-2001). She spent the early part of her career in the pharmaceutical industry, and was Research and Development Director of Peptech Limited, from 1993-1997. She has served as a Director of Unisearch Ltd and is currently a Director of the Australian Business Foundation and of Australian Biotechnology and Health Care Fund 3, a biotechnology investment fund.

#### **Non-executive Director, George Jessup, MBBS MBIomed Eng MBA**

Dr George Jessup is active in investing in and providing strategic direction to biotechnology companies. In 1997 he became co-founder and Managing Director of Start-up Australia. Under his leadership, Start-up Australia has raised \$55 million and has been an early stage investor in more than 10 biotechnology companies. Dr Jessup has extensive experience in senior management roles in the medical device and pharmaceutical industries in the U.S. and Australia including an appointment in the U.S. as Global Director of Medical Affairs of the Medical Device Division of an international pharmaceutical company (American Cyanamid Company, later acquired by Wyeth). Dr Jessup became a non-executive director of Biomix Ltd during 2005. Dr Jessup serves on the Company's nomination and remuneration committee and the Company's audit committee.

**Non-executive Director, Robin Beaumont, Dip. App. Chem., MBA**

Robin Beaumont was Managing Director of the Advent Venture Capital group until 1998 and represented Advent's interests as a Director of five investee companies, including Primary Health Care Ltd and the Ayers Rock Resort Company. Prior to joining Advent, he had more than 10 years of strategy consulting experience, preceded by senior management positions in the Pacific Dunlop group. Mr Beaumont is a past director of Ruralco Ltd. He is currently a director of listed biotechnology company GroPep Ltd and is the chairman of Select Vaccines Ltd, Primegro Ltd and the Co-Operative Research Centre for Diagnostics. Mr Beaumont is the chairman of the Company's audit committee and serves on the Company's nomination and remuneration committee.

**Executive Director, Steffen Nock, Dip. Biochem, PhD, President and Chief Operating Officer, EvoGenix Inc (USA)**

Dr Steffen Nock, is a former President of Absalus Inc., having previously participated in the foundation of Zyomyx, a biotechnology company in Hayward, California, exploiting antibody-based proteomics technologies. Zyomyx raised more than US\$100M and launched several products. Prior to this, Dr Nock held scientific research positions at Stanford University, USA, and in Germany. He was one of four founders of Absalus and an executive director. On the acquisition of Absalus by EvoGenix on 1 April 2005, Dr Nock became President of the company's US operation EvoGenix Inc, taking on the additional role of Vice President, Therapeutics Development for the company.

**Non-executive Director, Gordon Black, BSc, MBA(Wharton), ASIA**

Gordon Black is Managing Director of BioFusion Capital Pty Limited. He contributed to the board through a strong background in corporate strategy, finance and investment through his previous roles with DuPont in the USA and Australia. Mr Black is founder of BioFusion Capital, a specialist life sciences investment group with investors from Australia and the Asia Pacific region.

**Company Secretary's Qualifications and Experience****Warwick Pearce, B.Ec, LLB CA Chief Financial Officer and Company Secretary**

Warwick Pearce has fulfilled directorial, company secretarial and financial reporting duties in Australia and abroad. He has more than 7 years experience in the corporate finance arena, in both the private and public sectors. He was instrumental in facilitating the early progress of a number of entities which have since listed on the ASX including Avastra Ltd, AVT Holdings Ltd and Anzon Energy Australia Ltd. He was a director of the medical devices company, Diakyne Pty Limited and was also the Assistant Director of Corporate Finance for the Australian Securities and Investments Commission.

**Meetings of Directors**

There were 11 meetings of the Board during the year ended 30 June 2005. Information concerning the terms of appointment of all Directors who served during the year, the number of Board meetings each was eligible to attend and the number attended follows.

	<b>Date of Appointment</b>	<b>Date of Registration</b>	<b>Meetings eligible</b>	<b>Meetings attended</b>
Chris Harris	3 May 2004	-	11	10
Dr Marilyn Sleight	23 October	-	11	11
Dr George Jessup	11 July 2001	-	11	11
Robin Beaumont	16 March 2004	-	11	10
Gordon Black	29 April 2004	27 June 2005	11	11
Dr Steffen Nock	1 April 2005	-	3	3

30 June 2005

**Principal activities**

The principal activity of the Consolidated entity during the year was to develop proprietary platform technology in order to fully exploit the potential of proteins, particularly antibodies, as therapeutic agents.

There was no significant change in the nature of these activities during the year.

**Dividends**

The directors of the Company recommend that no dividend be paid in respect of the year ended 30 June 2005 (2004: nil).

**Review of operations**

The net loss for the Consolidated entity for the year ended 30 June 2005 after income tax was \$2,862,278 (2004: 935,224). In the opinion of the directors, the results of the operations of the consolidated entity for the year ended 30 June 2005 were not affected by any item, transaction or event of a material or unusual nature other than the purchase of its subsidiary and the related professional expenses.

**Significant changes in the state of affairs**

On 1 April 2005 the Company acquired its subsidiary, EvoGenix Inc (formerly Absalus Inc), an entity also operating in the antibody therapeutics sector and incorporated in the United States. On 26 May 2005 the company converted from a proprietary limited company to a public company. There were no other significant changes in the state of affairs for the company during the year.

**Matters subsequent to the end of the financial year**

Since 30 June 2005 the Company was successful in raising \$9 million from an initial public offering of the Company's securities. The parent company's securities listed on the Australian Stock Exchange on 11 August 2005. Other than these events, there was no matter or circumstance since 30 June 2005 that has significantly affected, or may significantly affect the company's operations in future financial years, the results of those operations in future financial years or the company's state of affairs in future financial years.

**Likely developments and expected results of operations**

Information on likely developments in the company's operations and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

**Environmental regulation**

The company is not subject to significant environmental regulation.

**Insurance of officers**

Directors and Officers insurance was in force throughout the financial year. The company paid a premium of \$20,818 on 17 June 2005 to continue the insurance.

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

### Shares under option

Unissued ordinary shares of EvoGenix Ltd under option at the date of this report are as follows:

275,581 options over unissued ordinary shares of EvoGenix Ltd were granted during the financial year to Marilyn Sleigh and 734,883 options over unissued ordinary shares of EvoGenix Ltd were granted during the financial year to Chris Harris. No other options over unissued shares were issued to the directors or officers of the company during or since the end of the financial year.

During the financial year 734,883 (post split) options were cancelled in return for the issue of ordinary shares. There was a 9.186 for one split of options during the financial year. The cancellation resulted in the issue of 296,884 ordinary shares to Chris Harris. Dr Marilyn Sleigh exercised 275,581 post split options at an exercise price of 13.6 cents in return for 275,581 ordinary shares. The following options remain on issue at the date of this report:

Date options granted	Expiry Date	Issue price of options	Exercise price of options	Number under option
31 August 2004	30 April 2011	\$0.0688	\$0.20	551,162
31 August 2004*	30 April 2010	\$0.0507	\$0.20	275,581
17 August 2004	30 April 2010	\$0.0507	\$0.20	91,860
14 December 2004	31 August 2010	\$0.0507	\$0.20	91,860
31 August 2004	30 June 2010	\$0.0507	\$0.20	275,581
14 December 2004	31 August 2010	\$0.0507	\$0.20	45,930

\* these options are held by Dr Marilyn Sleigh

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

### Shares issued on the exercise of options

275,581 ordinary shares were issued during the year ended 30 June 2005 on the exercise of options granted. These options were granted on 10 December 2001 at a price of 3.5 cents each (pre-split). There was a 9.186 for one split of options during the financial year. An amount of \$1,050 was outstanding as a loan pursuant to the terms of the EvoGenix Employee Option Plan with respect to these exercised options.

### Proceedings on behalf of the company

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

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

### Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

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



Chris Harris



Dr Marilyn Sleigh

Dated at Sydney this 2nd day of September 2005

# EvoGenix Limited

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This financial report covers both EvoGenix Limited as an individual entity and the consolidated entity consisting of EvoGenix Limited and its controlled entities.

EvoGenix Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

EvoGenix Limited  
Level 2, 37 Bligh Street  
Sydney NSW 2000

Statements of financial performance  
For the year ended 30 June 2005

	Notes	Consolidated		Parent Entity	
		2005 \$	2004 \$	2005 \$	2004 \$
<b>Revenue from ordinary activities</b>	3	<b>629,992</b>	629,129	<b>591,023</b>	629,129
Employee benefits expense		<b>(1,415,446)</b>	(858,474)	<b>(1,274,969)</b>	(858,474)
Depreciation and amortisation expense	4	<b>(129,226)</b>	(72,986)	<b>(74,364)</b>	(72,986)
Professional fees		<b>(762,089)</b>	(138,905)	<b>(686,200)</b>	(138,905)
Rental expense	4	<b>(124,753)</b>	(109,799)	<b>(99,009)</b>	(109,799)
Patent fees		<b>(86,137)</b>	(109,493)	<b>(83,015)</b>	(109,493)
Service fees		<b>(227,927)</b>	(163,148)	<b>(227,927)</b>	(163,148)
Materials and consumables		<b>(252,541)</b>	(244,959)	<b>(412,243)</b>	(244,959)
Marketing expenses		<b>(108,605)</b>	(106,915)	<b>(108,605)</b>	(106,915)
Travel expenses		<b>(75,715)</b>	(50,724)	<b>(55,745)</b>	(50,724)
Other expenses from ordinary activities		<b>(309,831)</b>	(24,253)	<b>(300,091)</b>	(24,253)
Borrowing costs		-	(95)	-	(95)
<b>Profit/(Loss) from ordinary activities before related income tax expense</b>		<b>(2,862,278)</b>	(1,250,622)	<b>(2,731,145)</b>	1,250,622
Incometax benefit/(expense)		-	315,398	-	315,398
<b>Net profit/(loss) attributable to members of EvoGenix Limited</b>	5	<b>(2,862,278)</b>	(935,224)	<b>(2,731,145)</b>	(935,224)
Net profit/(loss) attributable to members of EvoGenix Limited		<b>6,602</b>	-	-	-
<b>Total changes in equity attributable to members of EvoGenix Limited other than those resulting from transactions with owners as owners</b>		<b>(2855,676)</b>	(935,224)	<b>(2,731,145)</b>	(935,224)
		<b>Cents</b>	Cents		
Basic earnings per share	27	<b>(0.2)</b>	(0.9)		
Diluted earnings per share	27	<b>(0.2)</b>	(0.9)		

The above statements of financial performance should be read in conjunction with the accompanying notes.

**8 Evogenix Limited and controlled entities**

Statements of financial position  
As at 30 June 2005

	Notes	Consolidated		Parent Entity	
		2005 \$	2004 \$	2005 \$	2004 \$
<b>Current assets</b>					
Cash assets	6	<b>2,047,350</b>	2,669,332	<b>1,982,269</b>	2,669,332
Receivables	7	<b>49,263</b>	48,580	<b>49,263</b>	48,580
Other	8	<b>471,283</b>	13,206	<b>471,283</b>	13,206
Total current assets		<b>2,567,896</b>	2,731,118	<b>2,502,815</b>	2,731,118
<b>Non-Current assets</b>					
Receivables	9	<b>26,811</b>	14,875	<b>26,811</b>	14,875
Property, plant and equipment	10	<b>51,255</b>	53,255	<b>51,255</b>	43,255
Intangible assets	11	<b>4,649,783</b>	855,509	<b>805,509</b>	855,509
Other financial assets	12	-	-	<b>3,928,267</b>	-
Total non-current assets		<b>4,727,849</b>	923,639	<b>4,811,842</b>	3,654,757
<b>Total assets</b>		<b>7,295,745</b>	3,654,757	<b>7,314,657</b>	3,654,757
<b>Non-current liabilities</b>					
Payables	13	<b>839,824</b>	147,482	<b>783,045</b>	147,482
Other	14	<b>623,261</b>	-	<b>589,240</b>	-
Total current liabilities		<b>1,463,085</b>	147,482	<b>1,372,285</b>	147,482
<b>Current liabilities</b>					
Other	15	<b>14,819</b>	-	-	-
Total non-current liabilities		<b>14,819</b>	-	-	-
<b>Total liabilities</b>		<b>1,463,085</b>	147,482	<b>1,372,285</b>	147,482
<b>Net assets</b>		<b>5,817,841</b>	3,507,275	<b>5,942,372</b>	3,507,275
<b>Equity</b>					
Parent entity interest					
Contributed equity	16	<b>11,410,741</b>	6,244,499	<b>11,410,741</b>	6,244,499
Reserves	17	<b>6,602</b>	-	-	-
Accumulated losses	17	<b>(5,599,502)</b>	(2,737,224)	<b>(5,468,369)</b>	(2,737,224)
<b>Total equity</b>		<b>5,817,841</b>	3,507,275	<b>5,942,372</b>	3,507,275

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

	Notes	Consolidated		Parent Entity	
		2005 \$	2004 \$	2005 \$	2004 \$
<b>Cash flows from operating activities</b>					
Receipts from customers (inclusive of goods and services tax)		<b>553,078</b>	574,710	<b>488,799</b>	574,710
Payments to suppliers and employees inclusive of goods and services tax		<b>(3,277,061)</b>			
		<b>(2,723,983)</b>	(1,232,700)	<b>(2,593,218)</b>	(1,232,700)
Interest received		<b>101,541</b>	67,575	<b>101,541</b>	67,575
Borrowing costs		-	(95)	-	(95)
Income taxes refund (paid)		-	315,398	-	315,398
<b>Net cash (outflow) from operating activities</b>	26	<b>(2,622,442)</b>	(849,822)	<b>(2,491,677)</b>	(849,822)
<b>Cash flows from investing activities</b>					
Payments for purchase of controlled entity net of cash acquired		<b>(22,601)</b>	(6,623)	<b>(22,601)</b>	(6,623)
<b>Net cash inflow (outflow) from investing activities</b>		<b>(22,601)</b>	(6,623)	<b>(22,601)</b>	(6,623)
<b>Cash flows from financing activities</b>					
Payments for purchase of controlled entity net of cash acquired		<b>(3,143,181)</b>	-	<b>(3,339,027)</b>	-
Proceeds from issues of shares (net costs)		<b>5,166,242</b>	1,872,089	<b>5,166,242</b>	1,872,089
<b>Net cash inflow (outflow) from financing activities</b>		<b>2,023,061</b>	1,872,089	<b>1,827,215</b>	1,872,089
<b>Net Increase (decrease) in cash held</b>		<b>(621,982)</b>	1,015,644	<b>(687,063)</b>	1,015,644
Cash at the beginning of the financial year		<b>2,669,332</b>	1,653,688	<b>2,669,332</b>	1,653,688
<b>Cash at the end of the financial year</b>	6	<b>2,047,350</b>	2,669,332	<b>1,982,269</b>	2,669,332

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

## Note 1 Summary of significant accounting policies

The principal accounting policies adopted by EvoGenix Limited are stated to assist in a general understanding of these accounts. These policies have been consistently applied except as otherwise indicated.

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the *Corporations Act 2001*.

It is prepared in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

The Australian Accounting Standards Board (AASB) is adopting International Financial Reporting Standards (IFRS) for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS, and the Urgent Issues Group has issued interpretations corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee. These Australian equivalents to IFRS are referred to hereafter as AIFRS. The adoption of AIFRS will be first reflected in the consolidated entity's financial statements for the half-year ending 31 December 2005 and the year ending 30 June 2006. Information about how the transition to AIFRS is being managed, and the known or reliably estimable impacts on the financial report for the year ended 30 June 2005 had it been prepared using AIFRS, are set out in note 1(r).

### (a) Basis of accounting

The Company converted from a proprietary limited company to a public company on 26 May 2005. Subsequent to the end of the financial year the consolidated entity was successful in raising \$9 million from an initial public offering of the Company's securities. The parent company's securities listed on the Australian Stock Exchange on 11 August 2005.

The accounts have been prepared on the basis that, as at year end, the Company was a non disclosing public entity for the purposes of the Corporations Act 2001. The financial report of the Company has been drawn up as a general purpose financial report for distribution to the members and has been prepared on a going concern basis.

### (b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by EvoGenix Limited ("company" or "parent entity") as at 30 June 2005 and the results of all controlled entities for the year then ended. EvoGenix Limited and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full. Outside equity interest in the results and equity of controlled entity are shown separately in the consolidated statement of financial performance and statement of financial position respectively.

Where control of an entity is obtained during a financial year, its results are included in the consolidated statement of financial performance from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control existed.

### (c) Income tax

Tax effect accounting procedures are followed whereby the income tax expense in the statement of financial performance is matched with the accounting profit after allowing for permanent differences. The future tax benefit relating to tax losses is not carried forward as an asset unless the benefit is virtually certain of realisation. Income tax on cumulative timing differences is set aside to the deferred income tax or the future income tax benefit accounts at the rates which are expected to apply when those timing differences reverse.

No provision is made for additional taxes which could become payable if certain reserves of the foreign controlled entity were to be distributed as it is not expected that any substantial amount will be distributed from those reserves in the foreseeable future.

## Note 1 Summary of significant accounting policies (continued)

### (d) Foreign currency translation

#### Transactions

Foreign currency transactions are initially translated into Australian currency at the rate of exchange at the date of the transaction. At balance date amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting exchange differences are recognised in determining the profit or loss for the year.

#### Foreign controlled entity

As the foreign controlled entity is self sustaining, its assets and liabilities are translated into Australian currency at rates of exchange current at balance date, while its revenues and expenses are translated at the average of rates during the year. Exchange differences arising on translation are taken to the foreign currency translation reserve.

Upon disposal or partial disposal of a self-sustaining foreign operation, the balance of the foreign currency translation reserve relating to operations, or to the part disposed of, is transferred to retained profit.

### (e) Acquisitions of assets

The cost method of accounting is used for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their fair value as at the acquisition date based on the best available evidence of the price at which the instruments could be exchanged between knowledgeable, willing parties in an arm's length transaction. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of the acquisition. The discount rate used is the incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

### (f) Revenue recognition

Amounts disclosed as revenue are net of taxes paid. Revenue has been earned through government grants, collaborative projects and interest income from cash at bank and deposits at call for the year ending 30 June 2005. Revenue from government grants and collaborative projects is recognised on a receipt of funds basis. Revenue is also earned through collaborative agreements on the performance of milestones which are set out in the agreements.

All revenue is stated net of the amount of goods and services tax (GST).

### (g) Receivables

All trade debtors are recognised at the amounts receivable as they are due for settlement.

A provision is raised for any doubtful debts based on a review of all outstanding amounts at year end.

Bad debts are written off during the year in which they are identified.

### (h) Recoverable amount of non-current assets

The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets. The decrement in the carrying amount is recognised as an expense in net profit or loss in the reporting period in which the recoverable amount write-down occurs.

The expected net cash flows included in determining recoverable amounts of non-current assets are not discounted to their present values.

**Note 1 Summary of significant accounting policies (continued)****(i) Depreciation of property, plant and equipment**

Plant and equipment is depreciated over its useful life using the straight line method. The expected useful life for office furniture and laboratory equipment is 5 years.

Profits and losses on disposal of property, plant and equipment are taken into account in determining the results for the year.

**(j) Leased non-current assets**

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are charged to the statement of financial performance in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

**(k) Intangible assets****(i) Intellectual property**

Costs incurred in acquiring intellectual property are capitalised and amortised on a straight line basis over the period of the expected benefit. Intellectual property held at the reporting date is amortised over the life of the asset, between 4.5 and 20 years using the prime cost method.

**(l) Trade and other creditors**

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

**(m) Employee benefits****(i) Wages and salaries and annual leave**

Liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in other creditors in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Long service leave**

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**(iii) Employee benefit on-costs**

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

**(iv) Equity based compensation payments**

Equity-based compensation benefits are provided to employees via the EvoGenix Employee Option Plan. Information relating to these schemes is set out in note 21.

No accounting entries aside from the interest free non recourse loans are made in relation to the EvoGenix Employee Option Plan until options are exercised, at which time the amounts receivable from employees are recognised in the statement of financial position as share capital. The amounts disclosed for remuneration of directors and executives in note 23 excludes the assessed fair values of options at the date they were granted.

## Note 1 Summary of significant accounting policies (continued)

### (n) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred.

### (o) Cash

For purposes of the statement of cash flows, cash includes deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

### (p) Earnings Per Share

#### (i) *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.

#### (ii) *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.

### (q) Research and development expenditure

All research and development costs are charged as expenses in the year in which they are incurred.

### (r) International Financial Reporting Standards (IFRS)

The Australian Accounting Standards Board (AASB) is adopting IFRS for application to reporting periods beginning on or after 1 January 2005. The AASB will issue AIFRS, and the Urgent Issues Group will issue abstracts corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee. The adoption of AIFRS will be first reflected in the entity's financial statements for the year ending 30 June 2006.

Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004. The entity will manage the transition through the chief financial officer and obtain approval from the board.

These financial statements include all known and reliably estimable impacts of adopting AIFRS, however, they should not be regarded as a complete list of changes, as not all standards have been analysed as yet, and some decisions have not yet been made where choices of accounting policies are available. Also, amended or additional standards or interpretations may be issued by the AASB and the IASB. Therefore, until the company prepares its first full AIFRS financial statements, the possibility can not be excluded that future financial statements and notes to the financial statements may have to be adjusted.

Major changes identified to date that will be required to the company's existing accounting policies include the following:

## Note 1 Summary of significant accounting policies (continued)

### (i) Intangible assets – other intangibles

Costs incurred in acquiring intellectual property are capitalised and amortised on a straight line basis over the period of the expected benefit. Intellectual property held at the reporting date is amortised over its estimated useful life of between 4.5 to 20 years, using the straight line method.

Intangible Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Intangible Assets that are subject to amortisation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised immediately in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The Company is not anticipating a write down of intangibles on transition to IFRS.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

### (ii) Equity-based compensation benefits

Under AASB 2 Share-based Payment, equity-based compensation to employees will be recognised as an expense in respect of the services received. This will result in a change to the current accounting policy, under which no expense is recognised for equity-based compensation. If the policy required by AASB2 had been applied during the year ended 30 June 2005, opening retained losses at 1 July 2004 would be impacted by \$90,000. For the year ended 30 June 2005 the consolidated employee benefits expense would have been \$138,657 higher with a corresponding increase in share based payment reserve.

The above should not be regarded as a complete list of changes in accounting policies that will result from the transition to Australian equivalents to IFRS. As mentioned above, not all standards have been analysed as yet, and some decisions have not yet been made where choices of accounting policies are available. For these reasons it is not yet possible to quantify the impact of the transition to Australian equivalents to IFRS on the consolidated entity's financial position and reported results.

## Note 2 Segment information

### Business Segment

The primary segment within which the consolidated entities operate is the protein development sector, particularly the antibody development sector. For primary reporting purposes the entity operates in one business segment as described.

### Geographical segments

The consolidated entities operate in two main geographical areas:

#### Australia

The home country of the parent entity which is also the main operating entity. The areas of operation are the development of a proprietary platform technology to exploit the potential of proteins, particularly antibodies, as therapeutic agents.

#### United States

Comprises operations carried on in Mountain View, California, USA. The operations involve applying proprietary antibody engineering platforms Superhumanisation and ApoptoMab to develop therapeutic antibodies against validated drug targets.

### Secondary reporting – geographical segments

	Segment revenues from sales to external customers		Segment assets		Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	
	2005 \$	2004 \$	2005 \$	2004 \$	2005 \$	2004 \$
Australia	57,026	119,699	3,386,390	3,654,757	3,165,782	6,623
United States	38,969	-	3,909,355	-	-	-
	95,995	119,699	7,295,745	3,654,757	3,165,782	6,623
Unallocated			-	-		
Total assets			7,295,745	3,654,757		

## Note 3 Revenue

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
<b>Revenue from operating activities</b>				
Collaborative funding	<b>57,026</b>	119,699	<b>57,026</b>	119,699
	<b>57,026</b>	119,699	<b>57,026</b>	119,699
<b>Revenue from operating activities</b>				
Government grants	<b>432,456</b>	441,855	<b>432,456</b>	441,855
Interest	<b>101,541</b>	67,575	<b>101,541</b>	67,575
Other Income	<b>38,969</b>	-	<b>-</b>	-
	<b>572,966</b>	509,430	<b>533,997</b>	509,430
Revenue from ordinary activities	<b>629,992</b>	629,129	<b>591,023</b>	629,129

## Note 4 Loss from ordinary activities

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
<b>(a) Net gains and expenses</b>				
Loss from ordinary activities before income tax expense includes the following specific net gains and expenses:				
<b>Expenses</b>				
Depreciation				
Office equipment	<b>11,926</b>	12,428	<b>11,926</b>	12,428
Labratory equipment	<b>12,438</b>	10,558	<b>12,438</b>	10,558
Total depreciation	<b>24,364</b>	22,986	<b>24,364</b>	22,986
Amortisation				
Intellectual Property	<b>104,862</b>	50,000	<b>50,000</b>	50,000
Total amortisation	<b>104,862</b>	50,000	<b>50,000</b>	50,000
Borrowing costs	-	95	-	95
Rental payments	<b>124,753</b>	109,799	<b>99,009</b>	109,799
Loss on disposal of asset	<b>237</b>	-	<b>237</b>	-
Professional fees - merger costs expenses	<b>479,824</b>	-	<b>479,824</b>	-

## Note 5 Income Tax

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
The income tax expense for the financial year differs from the amount calculated on the profit. The differences are reconciled as follows: Profit/(loss) from ordinary activities before income tax expense	<b>(2,862,278)</b>	(1,250,622)	<b>(2,731,145)</b>	(1,250,622)
Income tax calculated @ 30% (2004-30%) Effect of higher tax rate on overseas income	<b>(858,682)</b> <b>(6,557)</b>	(375,187) -	<b>(819,343)</b> -	(375,187) -
Income tax expense/(benefit)	<b>(865,239)</b>	(375,187)	<b>(819,343)</b>	(375,187)
Tax effect of permanent differences: Non-deductible expenditure Non-deductible depreciation and amortisation R&D offset	<b>138,623</b> <b>31,459</b> -	656 15,000 (315,398)	<b>138,623</b> <b>15,000</b> -	656 15,000 (315,398)
Income tax adjusted for permanent differences	<b>(695,157)</b>	(674,929)	<b>(665,720)</b>	(674,929)
Future income tax benefits not brought into account	<b>695,157</b>	359,531	<b>665,720</b>	359,531
<b>Income tax expense / (benefit)</b>	-	(315,398)	-	(315,398)

The directors estimate that the potential future income tax benefit in respect of losses not brought to account at 30 June 2005 is \$1,212,618. The actual tax return assessment for 2004, lodged on 30 June 2005, resulted in tax losses of \$549,859.

The benefit for tax losses will only be obtained if:

- (i) the Consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, or
- (ii) the Consolidated entity continues to comply with the conditions for deductibility imposed by tax legislation changes, and
- (iii) no changes in tax legislation adversely affect the Consolidated entity in realising the benefit from the deductions for the losses,

## Note 6 Current assets – Cash assets

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Cash at bank and on hand	<b>1,034,629</b>	2,669,332	<b>969,548</b>	2,669,332
Deposits at call	<b>1,012,721</b>	-	<b>1,012,721</b>	-
	<b>2,047,350</b>	2,669,332	<b>1,982,269</b>	2,669,332

**Deposit at call**

The deposit is bearing an interest rate of 5.44%

## Note 7 Current assets – Receivables

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
<b>Current</b>				
Trade debtors	<b>39,986</b>	43,000	<b>39,986</b>	43,000
Deposits	<b>9,277</b>	5,580	<b>9,277</b>	5,580
	<b>49,263</b>	48,580	<b>49,263</b>	48,580

## Note 8 Current assets – Other

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Prepayments	-	13,206	-	13,206
Capitalised costs	<b>471,283</b>	-	<b>471,283</b>	-
	<b>471,283</b>	13,206	<b>471,283</b>	13,206

Capitalised costs relate to the costs of the initial public offering of the Company's securities. These costs will be set off against contributed equity in the following period.

## 18 Evogenix Limited and controlled entities

Notes to the financial statements  
30 June 2005 (continued)

### Note 9 Non-current assets – Receivables

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Other receivable	<b>26,811</b>	14,875	<b>26,811</b>	14,875

The non-current receivable relates to monies lent to employees under an interest free limited recourse loan to fund the issue of Options as a part of the EvoGenix Employee Option Plan.

### Note 10 Non-current assets – Property, plant and equipment

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
<b>Plant and equipment</b>				
Office Equipment at cost	<b>65,064</b>	51,094	<b>65,064</b>	51,094
Less: Accumulated depreciation	<b>(38,681)</b>	(27,000)	<b>(38,681)</b>	(27,000)
	<b>26,383</b>	24,094	<b>26,383</b>	24,094
Laboratory equipment at cost	<b>63,551</b>	55,401	<b>63,551</b>	55,401
Less: Accumulated depreciation	<b>(38,679)</b>	(26,240)	<b>(38,679)</b>	(26,240)
	<b>24,872</b>	29,161	<b>24,872</b>	29,161
Total plant and equipment	<b>51,255</b>	53,255	<b>51,255</b>	53,255

#### Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Parent Entity		
	Office Equipment \$	Lab Equipment \$	Total \$
Carrying amount at 1 July 2004	24,094	29,161	53,255
Additions	14,452	8,149	22,601
Disposals	(237)	-	(237)
Depreciation expense (note 4)	(11,926)	(12,438)	(24,364)
Carrying amount at 30 June 2005	26,383	24,872	51,255
	Consolidated		
	Office Equipment \$	Lab Equipment \$	Total \$
Carrying amount at 1 July 2004	24,094	29,161	53,255
Additions	14,452	8,149	22,601
Disposals	(237)	-	(237)
Depreciation expense (note 4)	(11,926)	(12,438)	(24,364)
Carrying amount at 30 June 2005	26,383	24,872	51,255

## Note 11 Non-current assets – Intangible assets

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Intellectual Property at Cost Less: Accumulated amortisation	<b>1,189,811</b> <b>(212,413)</b>	999,999 (144,490)	<b>999,999</b> <b>(194,490)</b>	999,999 (144,490)
	<b>977,398</b>	855,509	<b>855,509</b>	855,509
Intellectual Property acquired Less: Accumulated amortisation	<b>3,718,870</b> <b>(46,485)</b>	- -	- -	- -
	<b>3,672,385</b>	-	-	-

The intellectual property of the consolidated entity includes all of the intellectual property acquired on the purchase of EvoGenix Inc on 1 April 2005 as well as the intellectual property of the parent entity. The intellectual property of the parent entity relates to the exclusive license to commercialise patents filed for the "V-Like Domain Binding Molecules" and "In-Vitro Evolution". The exclusive license was purchased by the issue of shares to Diatech Pty Limited on 12 July 2001.

## Note 12 Non-current assets – Other financial assets

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
<b>Other (non-traded) investments</b>				
Shares in controlled entities – at cost ( note 24 )	-	-	<b>3,928,267</b>	-
	-	-	<b>3,928,267</b>	-

## Note 13 Current liabilities – Payables

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Trade creditors	<b>369,049</b>	27,364	<b>340,856</b>	27,364
Other creditors and accrued expenses	<b>470,775</b>	120,118	<b>442,189</b>	120,118
	<b>839,824</b>	147,482	<b>783,045</b>	147,482

**20 Evogenix Limited and controlled entities**

Notes to the financial statements  
30 June 2005 (continued)

### Note 14 Current liabilities – Other

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Deferred Consideration (refer to note 24)	<b>589,240</b>		<b>589,240</b>	
Deferred Revenue	<b>34,021</b>	-	-	-
	<b>623,261</b>	-	<b>589,240</b>	-

### Note 15 Non Current liabilities – Other

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Deferred Revenue	<b>14,819</b>	-	-	-
	<b>14,819</b>	-	-	-

### Note 16 Contributed equity

	Parent Entity		Parent Entity	
	2005 Shares	2004 Shares	2005 \$	2004 \$
<b>(a) Share capital</b>				
Ordinary shares – fully paid shares (notes (b) and (c))	<b>31,984,902</b>	1,000,000	<b>4,410,870</b>	1,000,000
Series A convertible preference shares – fully paid ( notes (b) and (d))	<b>43,111,352</b>	4,693,139	<b>5,229,624</b>	5,229,624
Series B convertible preference shares – fully paid ( notes (b) and (d))	<b>11,775,021</b>	-	<b>1,743,436</b>	-
	<b>86,871,275</b>	5,693,139	<b>11,383,930</b>	6,229,624
	2005 Options	2004 Options	2005 \$	2004 \$
Option premium reserve	<b>1,331,974</b>	425,000	<b>26,811</b>	14,875
Total Contributed Equity			<b>11,410,741</b>	6,244,499

## Note 16 Contributed Equity (continued)

**(b) Movements in ordinary share capital:**

Date	Details	Number of shares	Issue Price	\$
	<b>Ordinary shares</b>			
12 July 2001	Share issue	1	\$1.00	1
12 July 2001	Share issue	999,999	\$1.00	999,999
		1,000,000		1,000,000
25 May 2005	Split of shares 9.186 for 1	9,186,038		
3 June 2005	Share issue	275,581		37,500
3 June 2005	Share issue	22,226,399		3,339,027
3 June 2005	Share issue	296,884		34,343
30 June 2005	Balance	31,984,902		4,410,870
	<b>Series A Preference shares</b>			
11 August 2001	Share issue	1,500,000	\$1.00	1,500,000
1 December 2001	Share issue	25,259	\$1.00	25,259
5 February 2002	Share issue	25,259	\$1.00	25,259
29 April 2002	Share issue	25,259	\$1.00	25,259
26 June 2002	Share issue	90,362	\$1.00	90,362
18 September 2002	Share issue	25,259	\$1.00	25,259
2 October 2002	Share issue	22,590	\$1.00	22,590
25 October 2002	Share issue	25,259	\$1.00	25,259
10 December 2002	Share issue	22,590	\$1.00	22,590
23 January 2003	Share issue	25,259	\$1.00	25,259
5 February 2003	Share issue	1,500,000	\$1.00	1,500,000
11 March 2003	Share issue	22,590	\$1.00	22,590
30 April 2003	Share issue	25,259	\$1.00	25,259
11 June 2003	Share issue	22,590	\$1.00	22,590
31 July 2003	Share issue	25,259	\$1.00	25,259
15 April 2004	Share issue	620,690	\$1.45	620,690
15 April 2004	Share issue	689,655	\$1.45	689,655
	Less: transaction costs arising on share issue			(53,170)
		4,693,139		5,229,624
25 May 2005	Split of shares 9.186 for 1	43,111,352		
	<b>Series B Preference shares</b>			
20 May 2005	Share issue	1,281,839	\$1.38	1,768,937
20 May 2005	Split of shares 9.186 for 1	11,775,021		
	Less: transaction costs arising on share issue			(25,501)
				1,743,436
30 June 2005	Balance	86,871,275		11,383,930

**(c) Ordinary shares**

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

**(d) Preference shares**

Preference shares are divided between Series A Convertible Preference Shares and Series B Convertible Preference Shares. Both classes of preference shareholders are entitled to receive non-cumulative dividends, and at any time by written notice to the Company, can convert those convertible preference shares into ordinary shares. In the event of winding up the company preference shareholders have preference to a return of capital over the holders of ordinary shares.

**Note 16 Contributed Equity (continued)**

**(e) Option premium reserve**

The option premium reserve is used to record the share options held by employees through the Employee Option Plan.

Movement in option premium reserve	2005 \$	2004 \$
Opening balance	<b>14,875</b>	15,750
Issues	<b>15,992</b>	-
Cancellations / reductions	<b>(4,056)</b>	(875)
Closing balance	<b>26,811</b>	14,875

Note that there was a 9.186 for one split of options on 25 May 2005.

**Note 17 Reserves and accumulated losses**

	2005 \$	2004 \$	2005 \$	2004 \$
<b>(a) Foreign currency translation reserve</b>				
Balance at the beginning of the financial year	-	-	-	-
Net exchange differences on translation of foreign controlled entity	<b>6,602</b>	-	-	-
Balance at the end of the financial year	<b>6,602</b>	-	-	-
<b>(b) Accumulated losses</b>				
Accumulated losses at the beginning of the financial year	<b>(2,737,224)</b>	(1,802,000)	<b>(2,737,224)</b>	(1,802,000)
Loss for the year	<b>(2,862,278)</b>	(935,224)	<b>(2,731,145)</b>	(935,224)
Accumulated losses at the end of the financial year	<b>(5,599,502)</b>	(2,737,224)	<b>(5,468,369)</b>	(2,737,224)

**(c) Nature and purpose of reserves**

**Foreign currency translation reserve**

Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve, as described in note 1.

## Note 18 Financial instruments

### (a) Credit risk exposures

The credit risk on financial assets of the Consolidated entity which have been recognised in the statement of financial position, other than investments in shares, is generally the carrying amount, net of any provisions for doubtful debts.

### (b) Interest rate risk exposures

The Consolidated entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

<b>Consolidated</b>				
<b>Fixed interest maturing in:</b>				
<b>2005</b>	<b>Notes</b>	<b>Floating interest rate \$</b>	<b>Non-interest rates \$</b>	<b>Total \$</b>
<b>Financial assets</b>				
Cash and deposits	6	1,963,027	84,323	2,047,350
Receivables	7,9	-	76,074	76,074
		1,963,027	160,397	2,123,424
Weighted average interest rate		5.14%		
<b>Financial liabilities</b>				
Trade and other creditors	13	-	839,824	839,824
			839,824	839,824
Weighted average interest rate		-		
Net financial assets (liabilities)		1,963,027	(679,427)	1,283,600
<b>Fixed interest maturing in:</b>				
<b>2004</b>	<b>Notes</b>	<b>Floating interest rate \$</b>	<b>Non-interest rates \$</b>	<b>Total \$</b>
<b>Financial assets</b>				
Cash and deposits	6	2,669,332	-	2,669,332
Receivables	7,8,9	-	76,661	76,661
		2,669,332	76,661	2,745,993
Weighted average interest rate		3.8%		
<b>Financial liabilities</b>				
Trade and other creditors	13	-	147,482	147,482
			147,482	147,482
Weighted average interest rate		-		
Net financial assets (liabilities)		2,669,332	(70,821)	2,598,511

### (c) Net Fair value of financial assets and liabilities

The net fair value of financial assets and liabilities of the consolidated entity approximates their carrying amount.

**24 Evogenix Limited and controlled entities**

Notes to the financial statements  
30 June 2005 (continued)

Note 19 Remuneration of auditors

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:				
<b>Assurance services</b>				
<b>1. Audit services</b>				
Fees paid to PricewaterhouseCoopers Australian firm: Audit and review of financial reports and other audit work under the Corporations Act 2001	<b>39,750</b>	16,000	<b>39,750</b>	16,000
<b>Total remuneration for audit services</b>	<b>39,750</b>	16,000	<b>39,750</b>	16,000
<b>2. Other assurance services</b>				
Fees paid to PricewaterhouseCoopers Australian firm: Due diligence services	<b>77,289</b>	-	<b>51,600</b>	-
<b>Total remuneration for other assurance services</b>	<b>77,289</b>	-	<b>51,600</b>	-
<b>Total remuneration for assurance services</b>	<b>117,039</b>	16,000	<b>91,350</b>	16,000
<b>Taxation services</b>				
Fees paid to PricewaterhouseCoopers Australian firm: Tax compliance services, including review of company income tax returns International tax consulting and tax advice on mergers and acquisitions	<b>27,590</b>	14,147	<b>27,590</b>	14,147
	<b>40,000</b>	-	<b>40,000</b>	-
<b>Total remuneration for taxation services</b>	<b>67,590</b>	14,147	<b>67,590</b>	14,147

## Note 20 Commitments for expenditure

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
<b>Lease commitments</b>				
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	<b>141,150</b>	142,947	<b>33,150</b>	142,947
Later than one year but not later than 5 years	<b>63,000</b>	-	-	-
Later than 5 years	-	-	-	-
	<b>204,150</b>	142,947	<b>33,150</b>	142,947
Representing:				
Cancellable operating leases	<b>10,615</b>	123,447	<b>10,615</b>	123,447
Non-cancellable operating leases	<b>193,535</b>	19,500	<b>22,535</b>	19,500
	<b>204,150</b>	142,947	<b>33,150</b>	142,947
<b>Operating leases</b>				
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	<b>130,535</b>	19,500	<b>22,535</b>	19,500
Later than one year but not later than 5 years	<b>63,000</b>	-	-	-
Later than 5 years	-	-	-	-
	<b>193,535</b>	19,500	<b>22,535</b>	19,500

## Note 21 Employee benefits

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
<b>Employee benefit and related on-costs liabilities</b>				
Provision for employee benefits included in other creditors (note 13)	<b>85,146</b>	84,869	<b>85,146</b>	84,869
Aggregate employee entitlement and related on-costs liabilities	<b>85,146</b>	84,869	<b>85,146</b>	84,869
Representing:				
Cancellable operating leases	<b>10,615</b>	123,447	<b>10,615</b>	123,447
Non-cancellable operating leases	<b>194,535</b>	19,500	<b>22,535</b>	19,500
	<b>204,150</b>	142,947	<b>33,150</b>	142,947
	<b>Number</b>		<b>Number</b>	
<b>Employee numbers</b>				
Average number of employees during the financial year	<b>15</b>	11	<b>12</b>	11

**EvoGenix Employee Option plan**

The Company operates an Employee Option Plan open to selected employees at the discretion of the directors. The overall philosophy of the plan is to attract, retain and motivate employees. It is designed to generate longer term incentives linked to the future success of EvoGenix Limited.

The Option Plan allocates options to acquire ordinary shares in EvoGenix Limited. Options under the plan carry no dividend rights. As of the date of this report, options have been allocated over 1,331,974 ordinary shares (post split). There was a 9.186 for one split of options during the financial year.

The number of options allocated is at the discretion of the directors. Options are granted under the plan at an offer price determined by directors. The current options were issued at prices of \$0.0507 and \$0.0688 each (pre-split). The cost of the options was met through loans to employees. The loans are limited recourse and interest free. Unless otherwise specified by Directors, prior to an employee's termination date, options must be held for a period of 3 years from the date of issue, and can then be exercised during March or September in each financial year. Options currently on issue, have a vesting date 12 months from the date of issue rather than 3 years.

The exercise price for all outstanding options is set at \$0.20. Prior to listing on the Australian Stock Exchange, the market value of a share was determined by the directors valuation. Unless otherwise specified, Options expire at the earlier of 10 years from the issue date of the options or 12 months after an employee's termination date. Options currently on issue are set to expire 5 years from the Vesting date. Options expire on an employee's termination date if the circumstances of termination involve dishonesty or serious misconduct.

275,581 shares have been issued on the exercise of options under the Options Plan to date.

## Note 21 Employee benefits (continued)

## Movement in Employee Options

Grant Date	Expiry Date	Exercise Price \$ (pre split)	Balance at start of the year (pre split)	Issued during the year (pre split)	Exercised during the year (pre split)	Cancelled during the year (pre split)	Balance at end of the year (pre split)	Balance at end of the year (post split)
10 December 2001	2 October 2007	1.25	190,000	-	(30,000)*	-	160,000	1,469,766
2 April 2003	1 February 2009	1.25	205,000	-	-	-	205,000	1,883,138
7 May 2003	1 December 2008	1.50	30,000	-	-	-	30,000	275,581
17 August 2004	31 March 2010	1.81	-	40,000	-	(30,000)	10,000	91,860
31 August 2004	30 June 2010	1.81	-	120,000	-	-	120,000	1,102,325
14 December 2004	31 August 2010	1.25	-	100,000	-	-	100,000	918,604
14 December 2004	31 August 2010	1.81	-	65,000	-	(50,000)	15,000	137,790
			425,000	325,000	(30,000)	(80,000)	640,000	5,879,064

## Exercised Options

\* The fair value of the exercised options at grant date was \$0.035.

## Note 22 Related parties

### Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report:

Christopher Lee Harris

George Jessup

Merilyn Joy Sleigh

Robin Arthur Beaumont

Steffen Nock was appointed a director on 1 April 2005 and continues in office at the date of this report.

Gordon Stuart Black was a director during the year until his resignation on 27 June 2005.

### Remuneration and retirement benefits

Remuneration of directors is disclosed in Note 23.

	2005 \$	2004 \$
<b>Loans to directors and director-related entities</b>		
Limited recourse interest free loans pursuant to the terms of the EvoGenix Employee Option Plan at reporting date (note 9)	<b>5,721</b>	4,200
Loans advanced during the financial year:		
Limited recourse interest free loan to Merilyn Sleigh	<b>1,521</b>	-

Each such loan is payable by the holder on the earlier of the date on which the holder disposes of the holder's equity securities and the tenth anniversary of the issue date. If the holder disposes of part only of the holder's equity securities, the sale proceeds must be applied first, in reduction or settlement of the plan loan and second, the excess (if any) must be paid over to the holder.

The Company may apply any dividends on the holder's plan shares in reduction of the holder's plan loan, either in whole or after allowing the holder an amount to pay the tax generated in the holder's hands by the dividend payment. If the plan loan has been fully repaid, all dividends must be paid to the holder.

The loan is interest free. The Company's recourse against a holder in respect of the holder's plan loan will be limited to the realisable value of the equity securities held by the holder. During the year \$5,577 was loaned to directors of the consolidated entity.

## Note 22 Related parties (continued)

### Transactions of directors and director-related entities concerning shares

Aggregate numbers of shares of EvoGenix Limited acquired during the year by directors or their director-related entities from the company:

	2005 Number	2004 Number
<b>Acquisitions</b>		
Preference shares	<b>6,113,611</b>	1,335,604
Ordinary shares	<b>3,209,740</b>	-
EvoGenix Ltd Employee Option Plan - options over ordinary shares	<b>1,010,464</b>	-

Aggregate numbers of shares of EvoGenix Limited held directly, indirectly or beneficially by directors or their director-related entities at balance date:

	2005 Number	2004 Number
<b>Acquisitions</b>		
Ordinary shares	<b>12,395,779</b>	1,000,000
Preference shares	<b>49,224,962</b>	4,512,417
Options over ordinary shares	<b>275,581</b>	120,000

Shares acquired are on the same terms and conditions that apply to other shareholders.

Other transactions with directors and director related entities

Travel expense reimbursement:

Directors travel costs have been reimbursed during the year.

### Other related parties

Aggregate amounts included in the determination of profit from ordinary activities before related income tax that resulted from transactions with each class of other related parties:

	2005 \$	2004 \$
Rental of premises from shareholder (CSIRO)	<b>63,219</b>	75,394
Payment of consultants from shareholder (CSIRO)	<b>24,784</b>	29,359
Payment of services from shareholder (CSIRO)	<b>164,708</b>	146,705

### 30 Evogenix Limited and controlled entities

Notes to the financial statements  
30 June 2005 (continued)

## Note 22 Related parties (continued)

Aggregate amounts brought to account in relation to other transactions with other related parties:

	2005 Number	2004 Number
Aggregate number of shares of EvoGenix Ltd held directly, indirectly or beneficially by other related parties of the company or the consolidated entity	<b>1,660,119</b>	180,722

### Wholly-owned group

The wholly-owned group consists of EvoGenix Limited and its wholly-owned controlled entity, EvoGenix Inc

Transactions between EvoGenix Limited and EvoGenix Inc during the year ended 30 June 2005 consisted of the payment of funds by EvoGenix Ltd to EvoGenix Inc to facilitate research and development in the USA of \$A179,921.

### Controlled entities

The ultimate parent entity in the wholly owned group is EvoGenix Limited. The ultimate Australian parent entity is EvoGenix Limited which at 30 June 2005 owned 100% of the issued ordinary shares of EvoGenix Inc.

## Note 23 Remuneration and retirement benefits of directors

	Consolidated		Parent entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Income paid or payable, or otherwise made available, to all directors of the company by the company and any related parties in connection with the management of the affairs of the company.	<b>296,213</b>	193,745	<b>246,400</b>	193,745
Number of directors whose total income from the Company or any related parties was within the specified bands:				
\$0 - \$9,999			<b>3</b>	5
\$10,000 - \$19,999			<b>1</b>	-
\$20,000 - \$29,999			<b>1</b>	-
\$40,000 - \$49,999			-	-
\$180,000 - \$189,999			-	1
\$200,000 - \$209,999			<b>1</b>	-
Retirement and superannuation payments: Amounts of a prescribed benefit given during year by the Company or a related party to a director or prescribed superannuation fund in connection with the retirement from a prescribed office	<b>18,416</b>	15,120	<b>18,416</b>	15,120

Options :

During the financial year, 734,883 options were granted to Chris Harris and 275,581 options were granted to Dr Marilyn Sleigh as part of the EvoGenix Employee Option plan, and as per the terms outlined in the Directors' report.

## Note 24 Investments in controlled entities

Name of entity	Country of incorporation	Class of Shares	Equity holding	
			2005 %	2004 %
EvoGenix Inc	USA	Ordinary	100	-

**Acquisition of controlled entity**

On 1 April, 2005 the parent entity, EvoGenix Limited, acquired 100% of the issued share capital of EvoGenix Inc (formerly Absalus Inc) for 26,148,699 shares in the parent company equivalent in value to \$3,928,267 at \$0.15 per parent entity share. The acquisition is in three tranches. To date, 22,266,399 shares in the parent entity have been issued. A further 1,484,213 ordinary shares will be allotted to the former shareholders of EvoGenix Inc during the first quarter of 2006. Up to a further 2,614,870 ordinary shares may be issued to those same shareholders as at 1 April 2006. The dollar value of these two additional tranches is \$589,240.

The operating results of this newly controlled entity have been included in the consolidated statement of financial performance since the date of acquisition.

Details of the acquisition are as follows:				\$
Fair value of identifiable net assets of controlled entity acquired				
Intangibles				172,789
Trade debtors				25,310
Cash				195,846
Payables and accruals				(124,630)
Other creditors				(59,918)
Consideration				209,397
Fair value of identifiable assets				3,928,267
Intangible assets acquired				(209,397)
				3,718,870
Outflow of cash to acquire controlled entity				
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	\$	\$	\$	\$
Cash consideration				
Deferred consideration	<b>3,928,267</b>	-	<b>3,928,267</b>	-
Less : Cash acquired	<b>(589,240)</b>	-	<b>(589,240)</b>	-
	<b>(195,846)</b>	-	-	-
	<b>3,143,181</b>		<b>3,339,027</b>	

## Note 25 Events occurring after reporting date

Subsequent to the end of the financial year the consolidated entity was successful in raising \$9 million (gross) from an initial public offering of the Company's securities. The parent company's securities listed on the Australian Stock Exchange on 11 August 2005. On 11 July 2005 1,976,695 ordinary shares were issued pursuant to the cancellation of options formerly held by EvoGenix Ltd employees. There were no other material events subsequent to reporting date impacting upon the parent or controlled entity.

### 32 Evogenix Limited and controlled entities

Notes to the financial statements  
30 June 2005 (continued)

#### Note 26 Reconciliation of loss from ordinary activities after income tax to net cash inflow from operating activities

	Consolidated		Parent Entity	
	2005 \$	2004 \$	2005 \$	2004 \$
Loss from ordinary activities after related income tax	<b>(2,862,278)</b>	(935,224)	<b>(2,731,145)</b>	(935,224)
Depreciation and amortisation	<b>129,226</b>	72,986	<b>74,364</b>	72,986
Loss on asset disposal	<b>237</b>	-	<b>237</b>	-
Decrease (increase) in current receivables	<b>24,627</b>	(43,000)	<b>(683)</b>	(43,000)
Decrease (increase) in other current assets	<b>(458,077)</b>	-	<b>(458,077)</b>	-
Decrease (Increase) in other assets	<b>(11,936)</b>	-	<b>(11,936)</b>	-
Increase (decrease) in payables	<b>507,794</b>	55,416	<b>635,563</b>	55,416
Increase (decrease) in other current liabilities	<b>34,021</b>	-	-	-
Increase (decrease) in other non current liabilities	<b>14,819</b>	-	-	-
Movements in foreign currency	<b>(875)</b>	-	-	-
Net cash inflow from operating activities	<b>(2,622,442)</b>	(849,822)	<b>(2,491,677)</b>	(849,822)

#### Note 27 Earnings per share

	Consolidated	
	2005 Cents	2004 Cents
Basic earnings per share	<b>(\$0.26)</b>	(\$0.94)
Diluted earnings per share	<b>(\$0.26)</b>	(\$0.94)

	Consolidated	
	2005 Number	2004 Number
<b>Weighted average number of shares used as the denominator</b>		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and alternative basic earnings per share	<b>10,934,711</b>	1,000,000
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share and alternative diluted earnings per share	<b>16,131,353</b>	1,425,000

**In the directors' opinion:**

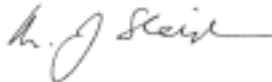
- (a) the financial statements and notes set out on pages 7 to 33 are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2005 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable

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

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

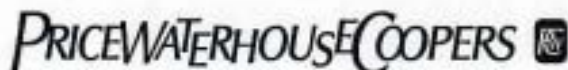


Chairman



Director

2nd September 2005



## Independent audit report to the members of EvoGenix Limited

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Facsimile +61 2 8266 9999

### Audit opinion

In our opinion, the financial report of EvoGenix Limited:

- gives a true and fair view, as required by the *Corporations Act 2001* in Australia, of the financial position of EvoGenix Limited and the EvoGenix Limited Group (defined below) as at 30 June 2005, and of their performance for the year ended on that date, and
- is presented in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, and the *Corporations Regulations 2001*.

This opinion must be read in conjunction with the rest of our audit report.

### Scope

#### The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for both EvoGenix Limited (the company) and the EvoGenix Limited Group (the consolidated entity), for the year ended 30 June 2005. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For further explanation of an audit, visit our website <http://www.pwc.com/au/financialstatementaudit>.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of

30 June 2005



the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

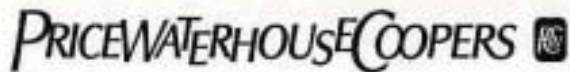
#### Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

  
PricewaterhouseCoopers

  
MW Chiang  
Partner

Sydney  
2 September 2005



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## Auditors' Independence Declaration

As lead auditor for the audit of EvoGenix Limited for the year ended 30 June 2005, 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.

This declaration is in respect of EvoGenix Limited and the entities it controlled during the period.

  
MW Chiang  
Partner  
PricewaterhouseCoopers

Sydney  
2 September 2005

## ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 11 August 2005.

### a) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares is:

	Number of shares	% of ordinary shares
Start-up Australia Ventures Pty Ltd	38,395,231	30.75
Diatech Pty Ltd	11,042,279	8.8472,986
Biofusion Capital Pty Ltd	7,313,372	5.86
National Nominees Ltd	4,840,000	3.88
Start-up Australia Ventures Pty Ltd (Bioventures Aust P/Ship A/C)	4,000,000	3.20
Benefund Ltd6	3,200,000	2.56
Mr James W Larrick (Junchen Living Trust)	2,927,370	2.34
Arrowsmith Technologies LLC	2,637,275	2.11
Mr Steffen Nock1	2,637,275	2.11
Mr David S Wilson1	2,637,275	2.11
Panorama Research Inc	2,373,534	1.90
HMS Nominees Ltd	2,000,000	1.60
Chessari Holdings Pty Ltd	1,927,074	1.54
Equity Trustees Ltd (Australian New Horizons A/C)	1,752,130	1.40
Mr John Bennetts	1,664,142	1.33
CSIRO	1,660,119	1.33
Westpac Custodian Nominees Ltd	1,647,870	1.32
Ms Susan C Wright 1,176,217	1,176,217	0.94
Miss Siew Chin Yap & Mr Jek NanYap	1,000,000	0.80
Equifast Nominees Pty Ltd	990,000	0.79
Total	95,821,163	76.71

### b) Distribution of equity securities

The number of shareholders, by size of holding, in each class of shares are:

	Number of holders	Number of ordinary shares
1 to 1,000	-	-
1,001 to 5,000	1	2,646
5,001 to 10,000	122	1,000,694
10,001 to 100,000	176	7,703,065
100,001 and over	122	116,141,565
Total	421	124,847,970

There are no shareholders holding less than a marketable parcel of shares.

30 June 2005

**ASX ADDITIONAL INFORMATION****c) Substantial shareholders**

Substantial shareholders (owning more than 5% of the share capital) in EvoGenix Limited at 11 August, 2005 are set out below.

	<b>Number of ordinary shares</b>	<b>%</b>
Start-up Australia Ventures Pty Ltd	42,395,231	33.96
Diatech Pty Ltd	11,042,279	8.84
Biofusion Capital Pty Ltd	11,042,279	5.86

**d) Voting Rights**

All ordinary shares carry one vote per share without restriction.

**e) Stock Exchange**

The Company's securities are not quoted on any stock exchange other than the Australian Stock Exchange.

**f) Buy Back**

There is not a current on-market buy-back.

**g) Escrow**

ASX Escrow

The following securities have been restricted by the ASX for the following periods:

- 3,424,586 ordinary shares fully paid for a period of 24 months from the date of official quotation, 11 August 2005.
- 275,581 options exercisable at \$0.20 each on or before 30 April 2010 for a period of 24 months from the date of official quotation.
- 4,669,268 ordinary shares fully paid for a period of 12 months from 20 May 2005
- 19,589,124 ordinary shares fully paid for a period of 12 months from 3 June 2005.

Voluntary Escrow

88,847,970 ordinary shares are subject to voluntary escrow for a period of 12 months from the date of official quotation, 11 August 2005.

30 June 2005

## ASX ADDITIONAL INFORMATION

**h) Directors' interests in securities**

Directors' relevant interests in securities of which the director is the registered holder

<b>Director</b>	<b>Interests</b>
Chris Harris	306,884 ordinary shares
Merylly Sleigh (as trustee with Raoul Ziani De Ferranti)	640,427 ordinary shares &
Merylly Sleigh (as trustee with Raoul Ziani De Ferranti)	275,581 options over ordinary shares (exercisable at 20 cents each)
George Jessup	-
Robin Beaumont (as trustee with Helen Shingler)	200,000 ordinary shares
Steffen Nock	2,637,275 ordinary shares

Directors' relevant interests in securities of which the director is not the registered holder

<b>Director</b>	<b>Name of Interests</b>	<b>Name of Registered Holder</b>	<b>Number of Securities</b>
Chris Harris	Controller	Mint Securities Pty Ltd	260,000 ordinary shares
Chris Harris	Controller	Chesapeake Bay Pty Ltd	40,000 ordinary shares
Merylly Sleigh	-	-	-
George Jessup	Controller of Blue Jay Ventures Pty Ltd, which holds more than 20% of the voting power in Start-up Australia Ventures Pty Ltd	Start-up Australia Ventures Pty Ltd	42,395,231 ordinary shares
George Jessup	Controller	Blue Jay Pty Ltd	400,000 ordinary shares
George Jessup	Controller	Blue Jay Ventures Pty Ltd	400,000 ordinary shares
Robin Beaumont	-	-	-
Steffen Nock	-	-	-

30 June 2005

EvoGenix Ltd  
**Corporate Directory**  
30 June 2005

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**Directors**

Chris Harris (Chairman)  
Dr Marilyn Sleigh (Managing Director)  
Dr George Jessup (Non Executive Director)  
Robin Beaumont (Non Executive Director)  
Dr Steffen Nock

**Company Secretary**

Warwick Pearce

**Registered Office**

Level 2, 37 Bligh Street  
Sydney NSW 2000.

**Auditors**

PriceWaterhouse Coopers Securities Limited  
Darling Park, Tower 2, 201 Sussex Street  
Sydney NSW 2000

**Lawyers**

Middletons Lawyers  
Level 29, 200 Queen Street  
Melbourne VIC 3000

**Share Registry**

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Sydney NSW 2000  
Telephone: 61 2 8234 5000

**Web-site**

[www.evogenix.com](http://www.evogenix.com)

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