Neurotech International Limited
Appendix 4E
Preliminary final report

Company details

Name of entity:	Neurotech International Limited
ACN:	610 205 402
Reporting period:	For the year ended 30 June 2022
Previous period:	For the year ended 30 June 2021

Results for announcement to the market

				$000
Revenues from ordinary activities	down	81%	to	38
Loss from ordinary activities after tax attributable to the owners of Neurotech International Limited	down	55%	to	(3,362)
Loss for the year attributable to the owners of Neurotech International Limited	down	55%	to	(3,337)

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

Comments
The operating loss for the Company after providing for income tax amounted to $3,362,241 (30 June 2021: loss of $7,430,628). The prior year loss includes $5,357,814 of Dolce Cann licence acquisition and research expenses.

Net tangible assets

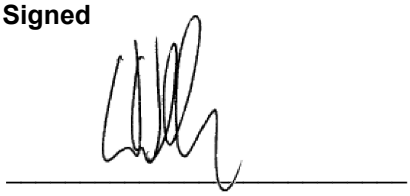
	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security (cents)	0.20	0.55

Attachments

Additional Appendix 4E disclosure requirements can be found in the director's report and the 30 June 2022 financial statements and accompanying notes.

This report is based on the financial statements which have been audited by BDO Audit (WA).

Signed



Winton Willesee
Director
31 August 2022

NEUROTECH INTERNATIONAL LIMITED

ACN 610 205 402

ANNUAL REPORT - 30 JUNE 2022

CONTENTS

	PAGE
CORPORATE DIRECTORY	3
DIRECTORS' REPORT	4
AUDITOR'S INDEPENDENCE DECLARATION	27
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	28
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	29
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	30
CONSOLIDATED STATEMENT OF CASH FLOWS	32
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	33
DIRECTORS' DECLARATION	58
INDEPENDENT AUDIT REPORT	59
ASX ADDITIONAL INFORMATION	63

CORPORATE DIRECTORY

DIRECTORS	Mark Davies (Non-Executive Chairman) Winton Willesee (Non-Executive Director) Allan Cripps (Non-Executive Director and Chief Scientist) Gerald Quigley (Non-Executive and Director of Public Relations)
COMPANY SECRETARY	Erlyn Dawson
REGISTERED AND PRINCIPAL OFFICE	Suite 5 CPC, 145 Stirling Highway NEDLANDS WA 6009 Telephone: (08) 9389 3130 Website: www.neurotechinternational.com Email: info@neurotechinternational.com
AUDITORS	BDO Audit (WA) Pty Ltd Level 9 5 Spring Street PERTH WA 6000
SHARE REGISTRY	Automic Registry Services Level 2, 267 St Georges Terrace PERTH WA 6000 Telephone: (08) 9324 2099
HOME EXCHANGE	Australian Securities Exchange Ltd Exchange Plaza 2 The Esplanade PERTH WA 6000 ASX Code: NTI

DIRECTORS' REPORT

The Directors present their report together with the financial report of Neurotech International Limited and its controlled entities (**Group**) for the financial year ended 30 June 2022 and the Auditor's Report thereon.

BOARD OF DIRECTORS

The names and details of the Directors in office during the financial period and until the date of this report are set out below.

- Mark Davies Non-Executive Chairman
- Winton Willesee Non-Executive Director
- Allan Cripps Non-Executive Director and Chief Scientist
- Gerald Quigley Non-Executive and Director of Public Relations (appointed 7 July 2022)
- Brian Leedman Non-Executive Chairman (resigned 15 August 2022)
- Krista Bates Non-Executive Director (resigned 15 August 2022)

PRINCIPAL ACTIVITIES

Neurotech International Limited is a medical device and solutions company conducting clinical studies to assess the neuro-protective, anti-inflammatory and neuro-modulatory activities of its proprietary cannabis strains. Neurotech is also commercialising Mente, the world's first home therapy that is clinically proven to increase engagement and improve relaxation in autistic children with elevated Delta band brain activity.

DIVIDENDS PAID OR RECOMMENDED

The Directors of the Company do not recommend the payment of a dividend in respect of the current financial year ended 30 June 2022 (2021: Nil).

OPERATING RESULTS

The consolidated Group's net loss after providing for income tax for the year ended 30 June 2022 amounted to $3,362,241 (30 June 2021: $7,430,628). Refer Note 1(c) on the preparation of the financial statements on a going concern basis.

REVIEW OF OPERATIONS

During the 2022 financial year, Neurotech was focused on delivering solutions for the treatment of conditions that improve quality of life, involving clinical studies to assess the neuro-protective, anti-inflammatory and neuro-modulatory activities of proprietary NTI/Dolce cannabis strains.

To complement its Mente technology, Neurotech continued to progress its clinical program, conducting a world-first trial using the proprietary cannabis strain, NTI164, to treat Paediatric Autism Spectrum Disorder (ASD) at Monash Children's Hospital, Melbourne.

Landmark Paediatric ASD Study Using NTI164[1]

During the financial year period, NTI conducted its landmark Phase I/II study in paediatric ASD. The ongoing study has been designed to rigorously assess the safety and efficacy of NTI164 in a dose-escalation regime and to evaluate behaviours, focus and cognitive parameters using validated neuropsychological tools. The study was also designed to provide the foundation for follow up studies in the treatment of further neurological disorders such as Multiple Sclerosis, Attention Deficit Hyperactivity Disorder (ADHD), Motor Neuron Disease, Rett Syndrome and Cerebral Palsy.

NTI164 is one of NTI's proprietary cannabis strains, exclusively licenced from Dolce Cann Global (Ltd), in respect of neurological applications and is the world's first full-spectrum medicinal cannabis product (less than 0.3% THC) to be successfully studied in children with ASD. The only drug currently approved by the FDA for children with ASD is Risperidone. Given the NTI trial results to date showed no serious adverse side effects and significant positive outcomes, the Company trusts it is well placed to make significant inroads into the ASD treatment market.

Overall Study Design and Outline:

- Open-label study.
- The study population: Children aged between eight years through to seventeen years that have a medical diagnosis of Level II and III Autism Spectrum Disorder (ASD) as confirmed by the Autism Diagnostic Observational Schedule (ADOS-2) criteria.

Study Primary Endpoints:

- Safety and tolerability - across dose regime (5mg/kg, 10mg/kg, 15mg/kg and 20 mg/kg).
- Safety was monitored and measured by clinical examination, full blood examinations, liver and renal function tests in addition to parent/carer and physician questionnaires.

Study Behavioural Endpoints:

- Efficacy was measured through parent/carer and physician questionnaires to assess parameters including, but not limited to:
    - Anxiety
    - Participation
    - Irritability
    - Hyperactivity
    - Mood, and
    - Self-stimulation

In total, over 2,250 assessment points were created through the landmark study.

"Wash Out Period" Removed from ASD Study Design

In May 2022, Neurotech announced important advancements relating to the study protocol assessing NTI164 in children with autism spectrum disorder (ASD). Due to the significant number of requests from patient's parents/caregivers to the Principal Investigator and Human Research Ethics Committee (HREC) at Monash Children's Hospital, the study protocol was modified to accommodate the ongoing treatment of study participants using NTI164.

The original study design was developed in line with similar study protocols whereby participants would undertake a "wash out period", where they reduce and subsequently stop taking the trial treatment. However, due to the positive impact that the treatment was having on the children's 'overall functioning', patient's parents and caregiver requested that the "wash out" period be removed from the study protocol. The patients remained on the treatment and continue to be monitored and treated under the guidance of Prof. M. Fahey and the Neuro-psychology team at Monash Children's Hospital.

Preclinical Success with Targeted Combination Therapies

The Company conducted two combination therapy preclinical trials during the 2022 financial year. These studies add to NTI's preclinical portfolio, allowing the Company to build a strong pipeline of combination pharmaceuticals utilising market-leading off-patent generic actives that have demonstrated efficacy and tolerability. Importantly, NTI's

[1] ASX Announcement 12 May 2022 - Key Development in Current Paediatric Autism Spectrum Disorder Study

provisional patents include the combination treatment and formulation.[2] In order to further develop and commercialise combination therapies, the Company plans to accelerate commercial negotiations with potential strategic partners. Details on these combination trials are as follows:

NTI164 + Diclofenac[3]

In June 2022, Neurotech reported positive preclinical research demonstrating that NTI164 in combination with Diclofenac (the active pharmaceutical ingredient in Voltaren™) can significantly improve Diclofenac effect at low doses (i.e. 5uM).

The results indicated that when NTI164 was used in combination with (low dose) Diclofenac, significant anti-inflammatory synergistic action was seen. Lowering the Diclofenac dose while increasing efficacy could alleviate many of the negative side effects that are directly tied to Diclofenac dosage.

These findings could have far-reaching implications for the use of Diclofenac across a variety of applications and give NTI an excellent foundation on which to build strategic alliances and extend its clinical portfolio.

Table 1: Summary of Result[5]

Cytokine	Control	Inflammation only	Diclofenac	Diclofenac + NTI164	Significance Diclofenac vs Diclofenac + NTI164	% Reduction in Inflammation Diclofenac + NTI versus Diclofenac
Cox 2 PROTEIN	0.755	1	0.565	0.35	P=0.05	38%
+/- SEM	0.046	0	0.184	0.058		
TNF-a	12.55	258.05	228.8	15.55	P<0.001	93%
+/- SEM	2.65	1.83	5.307	5.51		
IL-6	4.75	262.05	200.3	40.3	P<0.001	80%
+/- SEM	9.4	42.25	30.21	8.64		
IL-1a	31.25	79.5	70.5	34	P<0.001	52%
+/- SEM	1.02	6.95	3.674	1.62		
GM-CSF	46	356.5	477.75	164.5	P=0.001	66%
+/- SEM	2.44	57.56	43.88	36.55		

Results are expressed as: Average +/- SEM (standard error of mean)
Treatment groups include:
Control: PBS Buffer
Positive control: Inflammatory stimulation by Interferon gamma and Interleukin – 1B activation Diclofenac concentration 5uM
Combination therapy: Diclofenac 5uM + NTI164 concentration 7.5ug/ml

Result Analysis:
Calculated as % reduction in inflammation, Diclofenac versus Combination therapy (Diclofenac 5uM + NTI164 concentration 7.5ug/ml).
Student's t-test was used for statistical analysis.

[2] ASX Announcement 14 October 2021 - Provisional Patent Lodgments

[3] ASX Announcement 9 June 2022 - Preclinical Success with Targeted Combination Therapies

NTI164 + Prednisone[4]

In December 2021, Neurotech reported that NTI164 in combination with the commonly prescribed corticosteroid drug, Prednisone can significantly improve the efficacy of Prednisone alone (even at low doses (i.e. 5uM). When combined with Prednisone, NTI164 significantly reduced and normalised the levels of key inflammatory markers in human neuronal and microglial cells.

These results could have significant applications with regards to the use of Prednisone across a variety of indications. By reducing the amount of Prednisone dose needed to achieve the desired effect could alleviate many of the side effects directly related to the dosage of Prednisone. These results provide NTI with an ideal platform to progress strategic partnerships and further expand its clinical trial portfolio.

Table 2: Summary of Results

Biomarker Analysis	Control PBS buffer	Inflammation only: Interleukin & Interferon activation	PDN 5uM concentration	PDN (5uM)+ NTI164 (7.5ug/ml)	Significance PDN vs PDN+NTI164	% Reduction in inflammation using combination therapy versus PDN alone
COX-2 Protein	0.799	1	0.888	0.586	P=0.0210 Significant	34%
+/- SEM	0.075	0	0.057	0.2		
TNF-a	20.33	45	30.17	20.33	P=0.0105 Significant	33%
+/- SEM	5.01	8.35	1.53	2.02		
IL-6	9.5	366.33	228.5	30.33	P=0.0002 Highly Significant	87%
+/- SEM	2.77	60.41	11.53	25.27		
IL-1a	77.5	154.83	144.5	69	P= 0.0213 Significant	53%
+/- SEM	38.66	33.11	27.54	22.52		
GM-CSF	168.8	768.13	611.97	278.97	P=0.0398 Significant	54%
+/- SEM	83.29	294.36	375.14	138.58		

Results are expressed as: Average +/- SEM (standard error of mean)
Treatment groups include:
Control: PBS Buffer
Positive control: Inflammatory stimulation by Interferon gamma and Interleukin – 1B activation
Prednisone (PDN) concentration 5uM
Combination therapy: Prednisone (PDN) 5uM + NTI164 concentration 7.5ug/ml

Result Analysis:
Calculated as % reduction in inflammation, PDN versus Combination therapy (prednisone 5uM + NTI164 concentration 7.5ug/ml).
Student's t-test was used for statistical analysis.

[4] ASX Announcement 01 December 2021 - Preclinical Success with Targeted Combination Therapies: Prednisone + NTI164

Provisional Patents[5]

In October 2021, Neurotech filed its first strategic provisional patent applications with IP Australia to underpin future worldwide patent families in respect to research conducted into the novel neuro-regulatory and anti-inflammatory properties of the NTI/Dolce medicinal cannabis strains. The two provisional patents have been lodged to cover:

1. Composition of Matter - covering the uniqueness of the NTI164 strain composition profile with low THC (<0.3%) and a unique combination of 'rarer' cannabinoids and;

2. The application, formulation, and use of the strain in relation to the treatment of a broad range of neuro-inflammatory disorders both on its own and in conjunction with current broadly available treatment options - 'combination treatment therapies'.

The provisional 'composition patent' relates to a unique composition of six identified cannabinoids with low THC (<0.3%). When taken together, these cannabinoids work synergistically and have been shown to suppress COX-2, IL2 and TNF-alpha – molecules of the immune system that are largely responsible for inflammation and pain in the human body. As previously announced, the ability to suppress these specific inflammatory molecules differs significantly from standard CBD isolate.

The 'combination patent' invention relates to the NTI164 strain used in combination with an additional active ingredient (already being used to treat specific ailments). The invention also relates to pharmaceutical compositions, dosage forms and methods of treating neurological disorders by administering the composition to a patient.

Completion of Preclinical Studies relating to Biomarkers involved in Neuroinflammation[6]

In October 2021, Neurotech successfully completed preclinical studies in collaboration with RMIT University and Monash University assessing the effects of NTI164 on modulating neuro inflammatory Cytokines responses in cell culture models. Cytokines play an important role in the neuroinflammatory responses. These studies are an expansion of the earlier findings announced May 2021 in which NTI164 significantly suppressed the expression of COX-2 inhibition in human derived microglial cells.[7]

The results confirmed the potent anti-inflammatory and neuro-regulatory activity of the NTI164, specifically:

- NTI164 reduced the inflammatory cytokine IL-12 by 44%, substantially outperforming CBD alone (15% reduction) and CBD/THC in combination (19% reduction)
- NTI164 reduced the inflammatory cytokine TNF-alpha by 42%, outperforming CBD alone (29% reduction) and CBD/ THC in combination (25% reduction).

[5] ASX Announcement 13 October 2021 - Neurotech International | Provisional Patent Lodgements

[6] ASX Announcement 22 October 2021 - Successful completion of preclinical Multiple Sclerosis studies using NTI164

[7] ASX Announcement 25 May 2021 - NTI Strains Demonstrate Potential Benefits for MS Management

Table 3: Results Summary

Treatment	Cytokine	Results Expressed as: Average +/- Standard Deviation	Statistical Significance Reduction Compared to Control Alone
		(SD)	
Control: Interleukin	IL-12	99.91 +/- 12.88	
and Interferon		N=8	
Activation	TNF -alpha		
NTI164	IL-12	56.30 +/-18.24	44% reduction,
		N=8	P=0.0001
	TNF -alpha	58.28 +/- 15.08	42% reduction,
		N=8	P<0.0001
CBD alone	IL-12	84.40 +/- 6.54	15% reduction,
		N=8	P=0.008
	TNF -alpha	71.13 +/- 12.81	29% reduction,
		N=8	P=0.0005
CBD /THC (1:1)	IL-12	80.77 +/- 12.23	19% reduction,
		N=8	P=0.008
	TNF -alpha	74.49 +/- 14.30	25% reduction,
		N=8	P=0.01

Assay details:

- *Studies were carried out using Multiplex Quantitation System. The system allows for the accurate measurement of these neuro-markers levels. Measurements are done via fluorescence and expressed as F1 values.*
- *Positive controls: Interleukin and Interferon activity at 100%.*
- *Results are compared to positive control expressed as 100% activation and CB, CBD | THC where applicable*

NTI164 IL-12 P=0.0011 versus CBD alone 44% versus 15% (n=8)	***Highly significant***
NTI164 TNF-alpha P=0.0575 versus CBD alone 42% versus 29% (n=8)	***Significant***
NTI164 IL-12 P= 0.0069 versus CBD/THC combination 44% versus 19% (n=8)	***Highly significant***
NTI164 TNF-alpha P= 0.0446 versus CBD/THC combination 42% versus 25% (n=8)	***Positive trend***

Mente device

Neurotech has continued the development, and commercialisation of Mente, pursuing its business model including engaging with partners on sales and distribution, whilst also using Mente as part of its cannabis research to discover if a complimentary therapeutic benefit occurs when used in conjunction with the cannabis strains. It may also be used to monitor the progress of certain subjects.

CORPORATE ACTIVITY

Appointment of Chief Executive Officer[8]

In March 2022, Neurotech appointed Dr. Alexandra Andrews as Chief Executive Officer. Dr. Andrews holds a Doctor of Philosophy (Ph.D.) in Neuroscience from the University of Western Australia and has expertise in corporate development, investor engagement, product development and commercialisation, clinical trials and regulatory environments. Dr. Andrews has previous experience as Director of Operations at NeuroScientific Biopharmaceuticals Ltd.

[8] ASX Announcement 03 March 2022 - Appointment of Chief Executive Officer

Throughout her career, Dr. Andrews has worked closely with clinical researchers, investors and entrepreneurs, providing scientific and strategic input into clinical development plans and overseeing manufacturing. Dr. Andrews also brings commercial, transactional and project management experience, including a previous role at Linear Clinical Research where she focused on attracting partnerships with US biotechnology and pharmaceutical companies, as well as managing trial logistics.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Breakthrough Results with NTI164 in Paediatric ASD[9]

In July 2022, Neurotech announced breakthrough results from their landmark ASD study with successful outcomes relating to the safety, tolerability, and efficacy of NTI164 on key behavioural parameters that impact ASD patients.

The safety data concluded that NTI164 at 5, 10, 15 and 20mg/kg administered daily (divided into two doses), was safe and well-tolerated in the study population. The efficacy data demonstrated statistical significance at 28 days of treatment. 93% (13 out of 14 active patients) showed symptom improvement relating to severity of illness after 28 days of daily treatment with NTI164. The results also indicated:

GLOBAL IMPROVEMENT

- 64% of patients had a global improvement of "much improved'"
- 29% of patients had a global improvement of "minimally improved"
- 7% of patients had "no change"

THERAPEUTIC EFFECT (EFFICACY INDEX)

- Two patients recorded a Marked Therapeutic Index Score of 2 = representing "Vast Improvement" meaning: complete or near remission of all symptoms.
- Ten patients recorded a Moderate Therapeutic Index Score of 5 & 6 = representing "Decided Improvement" meaning: partial remission of symptoms.

Importantly, parental/carer observations also indicated consistent improvement in the trial participant's 'overall functioning' when compared to baseline at the commencement of the trial. The average rating for the severity of illness at baseline was 4.4 (out of a score of 7 meaning extremely ill and 1 meaning, not ill) and this score was reduced to 3.6 after 28 days of NTI164 treatment.

Specific instances of markedly improved behaviours (i.e. reduction in fear, agitation and anxiety) were observed and will be the key focus of the upcoming Phase II/III registration trials due to commence in calendar Q3 in 2022. The study has been granted HREC approval to continue for a further 54 weeks due to the positive therapeutic effects of NTI164 combined with feedback from parents and clinicians and their recent request for no "washout" period. Safety and efficacy assessments will continue.

Regulatory Pathway

The Company also initiated discussions with the Therapeutics Good Administration (TGA) to assess product scheduling and classification for the Australian Market. In collaboration with regulatory experts, the Company is now mapping out a full regulatory development roadmap/pathway for the registration and commercialisation of NTI164 for ASD and other neurological indications.

The Company has initiated pre–IND ("Investigational New Drug") discussions with the FDA and is the process of developing a clear roadmap for product registration and commercial development in the USA with an initial face-to-face pre-IND meeting set for Q3 2022.

[9] ASX Announcement 8 July 2022 – Breakthrough Results with NTI164 in Paediatric ASD

DIRECTORS' REPORT

Corporate

On 7 July 2022 the Company appointed Mr Gerald Quigley as a Non-Executive Director.

On 15 August 2022 the Company appointed Dr Thomas Duthy as a consultant to the Company with a focus on investor relations and Strategic Corporate Development. In addition, the Board has made a commitment to appoint Dr Duthy as an Executive Director, to assist the Company in this capacity effective 1 September 2022.

On 15 August 2022 current Non-Executive Director Mr Mark Davies was appointed as Chairman of the Board and Mr Brian Leedman and Ms Krista Bates resigned as Directors.

In addition to the above changes, the Company announced that current Non-Executive Director Professor Allan Cripps will be appointed as Chief Scientist and Gerald Quigley will be appointed as Director of Public Relations.

On 16 August 2022 the Company announced the proposed issue of 20,000,000 options to Dr Thomas Duthy and 5,000,000 options to Professor Allan Cripps and 5,000,000 options to Mr Gerald Quigly as an equity based incentive component to their remuneration packages. These securities are subject to shareholder approval at a future General Meeting.

Other than detailed above, no other matters or circumstances have arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than detailed in the Review of Operations, there were no significant changes in the state of affairs of the Group during the financial year.

IMPACT OF COVID-19 GLOBAL PANDEMIC

The impact of the Coronavirus (COVID-19) pandemic is ongoing and is causing delay to business development activities and meetings. Whilst it has had limited financial impact for the consolidated entity up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

OUTLOOK

In addition to the development of the NTI/Dolce cannabis strains detailed above, the Group remains committed to the development of Mente. The Board is reviewing the options for it to continue the development of Mente which includes accessing sufficient funding in a suitably attractive form to shareholders to fund the continued development.

The overarching consideration of the Board is to maximise the value of its assets for the benefit of its shareholders.

DIRECTORS' REPORT

AGM

The Company anticipates that it will hold its next Annual General Meeting ('AGM') on or before 23 November 2022.

In accordance with ASX Listing Rule 3.13.1, the closing date for the receipt of nominations from persons wishing to be considered for election as a director of the Company is 30 September 2022.

Any nominations must be received in writing no later than 5.00pm (WST) on 30 September 2022 at the Company's registered office.

ENVIRONMENTAL REGULATION

National Greenhouse and Energy Reporting Act 2007

This is an Act to provide for the reporting and dissemination of information related to greenhouse gas emissions, greenhouse gas projects, energy production and energy consumption, and for other purposes. The Entity is not subject to the *National Greenhouse and Energy Reporting Act 2007*.

DIRECTORS' REPORT

BOARD OF DIRECTORS

Mark Davies – Non-Executive Chairman	
Experience and Expertise	Mark Davies graduated from the University of Western Australia with a Bachelor of Commerce. He has over 20 years' experience in trading, investment banking and providing corporate advice. He worked at Montagu Stockbrokers before co-founding investment banking firm Cygnet Capital and more recently 1861 Capital. Mark specialises in providing corporate advice and capital raising services to emerging companies seeking business development opportunities and funding from the Australian market.
Other Current Directorships	None
Former Directorships in last 3 years	None
Special Responsibilities	Chairman of the Board (appointed 15 August 2022)
Interests in Shares and Options	7,793,017 ordinary shares 2,000,000 unlisted $0.0189 options expiring 18 November 2022 2,000,000 unlisted $0.038 options expiring 30 November 2023

Winton Willesee – Non-Executive Director	
Experience and Expertise	Mr Willesee is an experienced company director and secretary with over 20 years' experience in various roles within the Australian capital markets. Mr Willesee has considerable experience with ASX listed and other companies over a broad range of industries having been involved with many successful ventures from early stage through to large capital development projects. He has a core expertise in strategy, company development, corporate governance, company public listings, merger and acquisition transactions and corporate finance. Mr Willesee holds a Master of Commerce, a Post-Graduate Diploma in Business (Economics and Finance), a Graduate Diploma in Applied Finance and Investment, a Graduate Diploma in Applied Corporate Governance, a Graduate Diploma in Education and a Bachelor of Business. He is a Fellow of the Financial Services Institute of Australasia, a Graduate of the Australian Institute of Company Directors, a Member of CPA Australia and a Fellow of the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators/Chartered Secretary.
Other Current Directorships	Non-Executive Chairman of New Zealand Coastal Seafoods Limited (ASX:NZS) Chairman of UUV Aquabotix Ltd (ASX:UUV) Non-Executive Director of Hvgrovest Ltd (ASX:HGV) Non-Executive Director of Nanollose Limited (ASX:NC6)
Former Directorships in last 3 years	Non-Executive Director of eSense Lab Ltd (ASX:ESE) (resigned 21 September 2021)
Interests in Shares and Options	5,132,436 ordinary shares 2,000,000 unlisted $0.0189 options expiring 18 November 2022 2,000,000 unlisted $0.038 options expiring 30 November 2023

Allan Cripps – Non-Executive Director and Chief Scientist	
Experience and Expertise	Professor Cripps is currently a Professor Emeritus in the School of Medicine and Dentistry and the Menzies Health Institute Queensland at Griffith University, Australia. He is a member of the Infection and Immunity Research Team at the Menzies Health Institute Queensland at Griffith University, Australia. He is recognised nationally and internationally as a distinguished academic, clinical scientist and health services leader and has made significant contributions in immunology, vaccine development, diagnostics health services delivery and professional health education. The focus of Professor Cripps' research activities over the last 5 decades have been in the field of immunology and inflammation. In 2015 he was awarded an Officer of the Order of Australia (AO) in recognition of his contributions to mucosal immunization, public health and higher education. Professor Cripps has experience in the development of immunity in children and mucosal immune mechanisms, in recent years he has made a significant contribution to the field of immunology through translational research and human clinical studies. Professor Cripps is also a co-inventor on several patents in the fields of diagnostic technology and vaccine protein antigens for respiratory infection. He has published over 325 peer reviewed scientific papers and presented at many national and international scientific conferences.
Other Current Directorships	Non-Executive Director of BARD1 Life Sciences Limited
Former Directorships in last 3 years	None
Special Responsibilities	Chief Scientist (appointed 15 August 2022)
Interests in Shares and Options	180,000 ordinary shares 500,000 unlisted $0.09 options expiring 12 May 2023

Gerald Quigley – Non-Executive Director and Director of Public Relations (Appointed 7 July 2022)	
Experience and Expertise	Mr Quigley is a Pharmacist and consumer health commentator. As a leading media health commentator heard each week on television and radio stations across Australia. He has extensive knowledge relating to pharmaceutical and nutraceutical product development, dispensing & marketing in addition to product positioning within the relevant regulatory landscapes (e.g. TGA, FDA). Mr Quigley holds a Bachelor of Pharmacy.
Other Current Directorships	Nil
Former Directorships in last 3 years	Nil
Special Responsibilities	Director of Public Relations (appointed 7 July 2022)
Interests in Shares and Options	277,777 ordinary shares

Brian Leedman – Non-Executive Chairman (resigned 15 August 2022)	
Experience and Expertise	Mr Leedman is formerly the Chairman (WA) of Ausbiotech, Founder and Executive Director of ResApp Health, Founder of Oncosil Medical and Biolife Sciences Limited (acquired by Imugene Limited) and Non-executive Director of Alcidion Corporation and former Chairman of NeuroScientific Biopharmaceuticals and former chairman of Nutritional Growth Solutions. He holds a BEc and an MBA from the University of Western Australia and has over 15 years' experience in the biotechnology sector.
Other Current Directorships	Executive Director of ResApp Health Limited (ASX:RAP) appointed 18 May 2021
Former Directorships in last 3 years	NGS Limited (ASX:NGS) (resigned 28 February 2022)
Special Responsibilities	Chairman of the Board (until 15 August 2022)
Interests in Shares and Options at date of resignation	3,206,316 ordinary shares 10,000,000 unlisted $0.015 options expiring 31 October 2023 10,000,000 unlisted $0.02 options expiring 31 October 2023

Krista Bates – Non-Executive Director (resigned 15 August 2022)	
Experience and Expertise	Ms Bates is an experienced non-executive and executive director of listed companies (Australian Stock Exchange and London Stock Exchange) and various private companies in multiple jurisdictions. She is commercially experienced, particularly talented in turnarounds, structuring, risk mitigation and strategic roll-out of commercial initiatives. She has an exceptional legal background with over 23 years' experience in the legal market, with extensive experience working in emerging markets in both a commercial and legal capacity. Ms Bates is currently a Non-executive Director of AusCann Holdings (ASX:AC8), Australian Cannabis Ventures and Australia-Africa Minerals & Energy Group. She was also a Corporate Partner at Lavan law firm. She is the founder of KB Corporate Advisors which provides legal and corporate advisory services.
Other Current Directorships	Non-executive Director of AusCann Holdings (ASX:AC8)
Former Directorships in last 3 years	None
Interests in Shares and Options at date of resignation	450,000 ordinary shares 500,000 unlisted $0.09 options expiring 12 May 2023

DIRECTORS' REPORT

COMPANY SECRETARY

Erlyn Dawson – Company Secretary	
Experience and Expertise	Mrs Dawson is an experienced corporate professional with a broad range of corporate governance and capital markets experience, having been involved with several public company listings, merger and acquisition transactions and capital raisings for ASX-listed companies across a diverse range of industries. Mrs Dawson began her career in corporate recovery and restructuring at Ferrier Hodgson and is now the Managing Director of corporate services firm, Azalea Consulting, which provides outsourced company secretarial, accounting and administration services to a portfolio of ASX-listed companies. Mrs Dawson holds a Bachelor of Commerce (Accounting and Finance) and a Graduate Diploma in Applied Corporate Governance. She is a member of the Governance Institute of Australia/Chartered Secretary.

DIRECTORS' MEETINGS

Attendances by each Director during the year were as follows:

Director	Number Eligible to Attend	Number Attended
Mark Davies	7	7
Winton Willesee	7	7
Allan Cripps	7	7
Brian Leedman	7	7
Krista Bates	7	6
Gerald Quigley [1]	n/a	n/a

[1] Appointed 7 July 2022

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

This Remuneration Report outlines the Director and Executive remuneration arrangements of the Group and the Group and has been audited in accordance with the requirements by section 308(3C) of the *Corporations Act 2001* and the Corporations Regulations 2001.

For the purposes of this report, Key Management Personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group and the Consolidated Entity, directly or indirectly, including any Director (whether Executive or otherwise) of the Group.

Key Management Personnel disclosed in the Report

Names and positions held of Parent Entity Directors and Key Management Personnel in office at any time during the financial year are:

Directors	
Mark Davies	Non-Executive Chairman
Winton Willesee	Non-Executive Director
Allan Cripps	Non-Executive Director and Chief Scientist
Brian Leedman	Non-Executive Chairman (resigned 15 August 2022)
Krista Bates	Non-Executive Director (resigned 15 August 2022)

Remuneration Governance

The full Board filling the role of the Nomination and Remuneration Committee is responsible with respect to the following:

(a) remuneration policies and practices;

(b) remuneration of the Executive Officer and Executive Directors;

(c) composition of the Board; and

(d) performance Management of the Board and of the Executive Officer.

Use of Remuneration Consultants

During the year, the Group has not required or used any remuneration consultants.

Executive Remuneration Policy and Framework

The full Board reviews and make recommendations regarding the following:

(a) strategies in relation to Executive remuneration policies;

(b) compensation arrangements for the Chairman, Non-Executive Directors, CEO, and other Senior Executives as appropriate;

(c) performance related incentive policies;

(d) the Group's recruitment, retention and termination policies;

(e) the composition of the Board having regard to the skills/experience desired and skills/experience represented;

(f) the appointment of Board members;

(g) the evaluation of the performance of the CEO;

(h) consideration of potential candidates to act as Directors; and

(i) succession planning for Board members.

Key Management Personnel Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of Key Management Personnel for the economic entity is as follows:

The remuneration structure for Key Management Personnel is based on a number of factors including particularly the skills and experience of the individual concerned. The contracts for service between the Group and Key Management Personnel are on a continuing basis, subject to review with the Board proposing a review in the immediate future. There is no scheme to provide retirement benefits, other than statutory superannuation.

On appointment to the Board, all Executive and Non-Executive Directors enter into an agreement with the Group.

The structure of the performance-based elements of an Executive's remuneration are designed to encourage retention of the Executives while also rewarding short term performance of the individual and long-term performance of the Group, and therefore contributing to the wealth of the Group's shareholders. Executives are subject to an annual performance review against objectives relevant to their role, and the performance against these objectives is used to determine the amount of their annual short-term incentive bonus received.

Key Management Personnel Compensation

The compensation of the Group's Key Management Personnel is disclosed below:

2022 Key Management Person	Short-term Benefits				Termination Benefits	Share-based payment				
	Salary ($)	Bonus ($)	Post Retirement benefits ($)	Annual leave ($)	Termination Benefits ($)	Shares ($)	Options ($)	Total Share Based Payments ($)	Total ($)	Performance related
DIRECTORS										
Brian Leedman [3]	120,000	-	-	-	-	-	-	-	120,000	-
Mark Davies	40,000	-	-	-	-	-	-	-	40,000	-
Winton Willesee	40,000	-	-	-	-	-	-	-	40,000	-
Krista Bates [2] [3]	40,000	-	-	-	-	-	13,935	13,935	53,935	26%
Allan Cripps [2]	40,000	-	-	-	-	-	10,742	10,742	50,742	21%
MANAGEMENT										
Dr Alexandra Andrews [1]	72,552	-	7,255	6,139	-	-	59,280	59,280	145,226	41%
TOTAL	**352,552**	**-**	**7,255**	**6,139**	**-**	**-**	**83,957**	**83,957**	**449,904**	

[1] Refer Note 6 for details of share-based payments made to Dr Alex Andrews (CEO) during the financial period

Key details of Dr Andrews employment contract are as follows:
Appointment date: 8 March 2022
Annual base salary: $250,000 inclusive of superannuation
Performance options: 15,000,000 options (refer note 6)
Notice period: 3 months by either party

[2] Options were issued to Directors in the prior financial period – refer below for valuation methodology and assumptions

[3] Resigned 15 August 2022

2021 Key Management Person	Short-term Benefits				Termination Benefits	Share-based payment				
	Salary ($)	Bonus ($)	Post Retirement benefits ($)	Annual leave ($)	Termination Benefits ($)	Shares and Share Rights ($)	Options ($)	Total Share Based Payments ($)	Total ($)	Performance related
DIRECTORS										
Brian Leedman [1]	85,000	-	-	-	-	-	431,617	431,617	516,617	-
Mark Davies [2] [3]	43,600	-	-	-	-	38,809	36,204	75,013	118,613	-
Winton Willesee [2] [3]	39,954	-	-	-	-	30,116	36,204	66,320	106,274	-
Krista Bates *	9,555	-	-	-	-	-	8,291	8,291	17,846	-
Allan Cripps *	4,758	-	-	-	-	-	3,051	3,051	7,809	-
Peter Griffiths [2]	(19,222)	-	-	-	-	84,448	24,583	109,031	89,809	27%
David Cantor [2]	12,043	-	-	-	-	22,665	-	22,665	34,708	-
TOTAL	**175,688**	**-**	**-**	**-**	**-**	**176,038**	**539,950**	**715,988**	**891,676**	

[1] On 17 December 2020, pursuant to shareholder approval Mr Leedman was issued with 10,000,000 unlisted $0.015 options expiring 31 October 2023 and 10,000,000 unlisted $0.02 options expiring 31 October 2023. These were valued at $431,617 using the Black-Scholes option valuation model with the following inputs:

Number of options in series	10,000,000	10,000,000
Grant date share price	$0.029	$0.029
Exercise price	$0.015	$0.02
Expected volatility	112%	112%
Option life	34 months	34 months
Dividend yield	nil	nil
Interest rate	0.11%	0.11%

[2] On 30 September 2020, ordinary shares were issued to directors in lieu of outstanding director's fees following shareholder approval. The remuneration expense was recorded at fair value of $0.013 per share, and the expense recognised in the year ended 30 June 2020 was $283,500. The expense recognised in the financial year ended 30 June 2021 in order to reflect the fair value of the shares issued was $176,039.

[3] On 17 December 2020, pursuant to shareholder approval Mr Davies and Mr Willesee were each issued with 2,000,000 unlisted $0.0038 options expiring 30 November 2023. These were valued at $36,204 for each director using the Black-Scholes option valuation model with the following inputs:

Number of options in series	4,000,000
Grant date share price	$0.029
Exercise price	$0.038
Expected volatility	112%
Option life	35 months
Dividend yield	nil
Interest rate	0.11%

* On appointment as a director, the Company agreed to seek shareholder approval for the issue of 500,000 unlisted options to Ms Bates and Professor Cripps, exercisable at $0.09 and conditional on remaining a director until the 2021 Annual General Meeting. Shareholder approval for the issue of these options was approved at the 2021 Annual General Meeting. The options were valued using the using the Black-Scholes option valuation model with the following inputs:

	Ms Bates	*Prof Cripps*
Number of options in series	500,000	500,000
Grant date share price	$0.076	$0.055
Exercise price	$0.09	$0.09
Expected volatility	120%	120%
Option life	25 months	23 months
Dividend yield	nil	nil
Interest rate	0.1%	0.1%
Valuation	$22,078	$13,662

Equity Instruments Disclosure Relating to Key Management Personnel

Shares:

Number of shares held by Parent Entity Directors and other Key Management Personnel of the Group, including their personally related parties, are set out below.

Name	Balance at the start of the year	Acquired as part of remuneration	Acquired on market	Disposed	Other	Balance at the end of the year
Directors						
Mark Davies	7,793,017	-	-	-	-	7,793,017
Winton Willesee	5,132,436	-	-	-	-	5,132,436
Allan Cripps	-	-	180,000	-	-	180,000
Gerald Quigley	-	-	-	-	-	-
Alexandra Andrews	-	-	-	-	-	-
Brian Leedman	3,206,316	-	-	-	-	3,206,316
Krista Bates	270,000	-	180,000	-	-	450,000
Total	**16,401,769**	**-**	**360,000**	**-**	**-**	**16,761,769**

Options

Number of options held by Parent Entity Directors and other Key Management Personnel of the Group, including their personally related parties, are set out below.

Name	Balance at the start of the year	Acquired as part of remuneration	Disposed	Other	Balance at the end of the year
Mark Davies	4,000,000	-	-	-	4,000,000
Winton Willesee	4,000,000	-	-	-	4,000,000
Allan Cripps	500,000	-	-	-	500,000
Gerald Quigley	-	-	-	-	-
Alexandra Andrews	-	15,000,000	-	-	15,000,000
Brian Leedman	20,000,000	-	-	-	20,000,000
Krista Bates	500,000	-	-	-	500,000
Total	**29,000,000**	**15,000,000**	**-**	**-**	**44,000,000**

Voting and comments made at the Group's 2021 Annual General Meeting

The Group received a 98.82% "yes" votes on its remuneration report for the 2021 financial year (2020: 99.37% yes). The Group did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Transactions with Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

For the year ended 30 June 2022 the aggregate amount recognised during the year relating to Directors, Key Management Personnel and their related parties were as follows.

Director	Transaction	Transactions value for the year ended 30 June		Balance outstanding as at 30 June	
		2022 ($)	2021 ($)	2022 ($)	2021 ($)
Winton Willesee (Director and Shareholder (via an associated entity) of Azalea Consulting Pty Ltd)	Corporate administration services	90,200	124,120	25,850	-
Winton Willesee (Director and Shareholder (via an associated entity) of Valle Corporate Pty Ltd)	Bookkeeping and accounting services	21,058	21,409	1,955	918
Total		**111,258**	**145,529**	**27,805**	**918**

Payments to Azalea Consulting Pty Ltd (director related entity of Winton Willesee) for corporate administration services including company secretarial and accounting services and front and registered office services. Payments to Valle Corporate Pty Ltd (director related entity of Winton Willesee) for bookkeeping and financial reporting services fees.

This is the end of the Audited Remuneration Report.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

(a) Indemnification

The Group has agreed to indemnify the current Directors and Group Secretary of the Group against all liabilities to another person (other than the Group or a related body corporate) that may arise from their position as Directors and Group Secretary of the Group, except where the liability arises out of conduct involving a lack of good faith.

The Agreement stipulates that the Group will meet to the maximum extent permitted by law, the full amount of any such liabilities, including costs and expenses.

(b) Insurance Premiums

During the year ended 30 June 2022, the Company paid insurance premiums in respect of Directors and Officers Liability Insurance for Directors and Officers of the Company. The liabilities insured are for damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as Directors and Officers of the Company to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

NON-AUDIT SERVICES

No non-audit services were provided by the Group's auditor during the year ended 30 June 2022 or 30 June 2021.

INDEMNITY AND INSURANCE OF AUDITOR

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor. During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

CORPORATE GOVERNANCE

The Board is responsible for the overall corporate governance of the Group, and it recognises the need for the highest standards of ethical behaviour and accountability. It is committed to administrating its corporate governance structures to promote integrity and responsible decision making.

The Group's corporate governance structures, policies and procedures are described in its Corporate Governance Statement which is available at the Group's website at:

http://neurotechinternational.com/investor-centre/corporate-governance

SHARES

As at the date of this report there are 697,699,126 (2021: 696,819,126) ordinary shares on issue.

OPTIONS

All options granted confer a right of one ordinary share for every option held. The Group has the following unlisted options on issue as at 30 June 2022:

Grant Date	Expiry Date	Exercise Price ($)	Balance at end of the year Number	Vested and exercisable Number
18/11/2019	18/11/2024	$0.0589	6,500,000	6,500,000
18/11/2019	18/11/2024	$0.0199	5,429,754	5,429,754
18/11/2019	18/11/2022	$0.0189	10,000,000	10,000,000
06/04/2020	31/01/2023	$0.005	16,590,356	16,590,356
30/09/2020	31/01/2023	$0.010	33,000,000	33,000,000
17/12/2020	31/10/2023	$0.015	10,000,000	10,000,000
17/12/2020	31/10/2023	$0.020	10,000,000	10,000,000
17/12/2020	30/11/2023	$0.038	4,000,000	4,000,000
22/12/2020	22/12/2022	$0.030	6,620,000	6,620,000
12/05/2021	12/05/2023	$0.090	11,000,000	11,000,000
01/03/2022	10/03/2024	$0.080	5,000,000	-
01/03/2022	10/03/2024	$0.120	5,000,000	-
01/03/2022	10/03/2024	$0.160	5,000,000	-
			128,140,110	**113,140,110**

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* for the year ended 30 June 2022 has been received and can be found on page 27.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

Signed on behalf of the Board of Directors.

Winton Willesee
Non-Executive Director
Dated at Perth, Western Australia, 31 August 2022

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF NEUROTECH INTERNATIONAL LIMITED

As lead auditor of Neurotech International Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

Glyn O'Brien
Director

BDO Audit (WA) Pty Ltd

Perth, 31 August 2022

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022		CONSOLIDATED	
	Notes	30 June 2022 ($)	30 June 2021 ($)
CONTINUING OPERATIONS			
Revenue	3	38,262	206,144
Other income	4	569,842	19,527
Cost of sales	5	(6,523)	(16,233)
Obsolete stock write-off / (write back)	5	(26,857)	50,565
Professional consultant and advisory expenses		(304,192)	(381,518)
Professional legal expenses		(59,896)	(19,183)
Corporate and administration expenses		(346,180)	(269,308)
Depreciation and amortisation expenses		(588)	-
Finance expenses		(1,369)	(1,709)
Advertising and marketing expenses		(12,478)	(12,510)
Employee benefits expense		(538,838)	(414,639)
Share based payments expense	6	(83,957)	(1,216,843)
Research expense	7	(2,578,153)	(5,357,814)
Equipment and materials direct cost		(669)	(13,992)
Other expenses		(10,645)	(3,115)
LOSS BEFORE INCOME TAX		**(3,362,241)**	**(7,430,628)**
Income tax benefit	8	-	-
LOSS AFTER INCOME TAX		**(3,362,241)**	**(7,430,628)**
Other comprehensive income/(loss)		-	-
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operations		25,409	(26,702)
Total comprehensive loss for the period		**(3,336,832)**	**(7,457,330)**
Basic loss per share (cents per share)	23	**(0.48)**	**(1.51)**

The Consolidated Statement of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Notes	CONSOLIDATED 30 June 2022 ($)	CONSOLIDATED 30 June 2021 ($)
CURRENT ASSETS			
Cash and cash equivalents	11	1,895,431	4,827,370
Trade and other receivables	12	99,483	142,860
Prepayments		18,238	35,654
Inventories		7,202	-
TOTAL CURRENT ASSETS		**2,020,354**	**5,005,884**
NON-CURRENT ASSETS			
Property, plant and equipment		2,617	-
TOTAL NON-CURRENT ASSETS		**2,617**	**-**
TOTAL ASSETS		**2,022,971**	**5,005,884**
CURRENT LIABILITIES			
Trade and other payables	13	592,980	349,418
TOTAL CURRENT LIABILITIES		**592,980**	**349,418**
NON-CURRENT LIABILITIES			
Contingent consideration	14	-	795,000
TOTAL NON-CURRENT LIABILITIES		-	795,000
TOTAL LIABILITIES		**592,980**	**1,144,418**
NET ASSETS		**1,429,991**	**3,861,466**
EQUITY			
Contributed Equity	15	25,776,778	25,750,378
Reserves	16	4,349,318	3,444,952
Accumulated Losses	17	(28,696,105)	(25,333,864)
TOTAL EQUITY		**1,429,991**	**3,861,466**

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Contributed Equity ($)	Accumulated Losses ($)	Share-based Payment Reserve ($)	Foreign Currency Translation Reserve ($)	Total ($)
FINANCIAL YEAR ENDED 30 JUNE 2022					
Balance at 1 July 2021	**25,750,378**	**(25,333,864)**	**3,394,103**	**50,849**	**3,861,466**
(Loss) for the year	-	(3,362,241)	-	-	(3,362,241)
Exchange Difference	-	-	-	25,409	25,409
Total comprehensive (loss)	**-**	**(3,362,241)**	**-**	**25,409**	**(3,336,832)**
Transactions with equity holders in their capacity as equity holders					
Share issues on conversion of options (Note 15)	26,400	-	-	-	26,400
Share based payments (Note 6)	-	-	83,957	-	83,957
Options issued to Dolce Cann (Note 14)	-	-	795,000	-	795,000
Balance at 30 June 2022	**25,776,778**	**(28,696,105)**	**4,273,060**	**76,258**	**1,429,991**

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Contributed Equity ($)	Accumulated Losses ($)	Share-based Payment Reserve ($)	Foreign Currency Translation Reserve ($)	Total ($)
FINANCIAL YEAR ENDED 30 JUNE 2021					
Balance at 1 July 2020	**15,498,123**	**(17,903,236)**	**1,681,269**	**77,551**	**(646,293)**
(Loss) for the year	-	(7,430,628)	-	-	(7,430,628)
Exchange Difference	-	-	-	**(26,702)**	(26,702)
Total comprehensive (loss)	-	**(7,430,628)**	-	**(26,702)**	**(7,457,330)**
Transactions with equity holders in their capacity as equity holders					
Share issues	10,465,844	-	-	-	10,465,844
Shares Issued to Directors	459,539	-	-	-	459,539
Share based payments – Note 6	-	-	1,040,904	-	1,040,904
Options issued for acquisition of Dolce Cann licence	-	-	441,896	-	441,896
Options issued to Merchant Capital	-	-	207,535	-	207,535
Options issued to Max Capital	-	-	22,499	-	22,499
Share issue costs	(673,128)	-	-	-	(673,128)
Balance at 30 June 2021	**25,750,378**	**(25,333,864)**	**3,394,103**	**50,849**	**3,861,466**

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Notes	CONSOLIDATED 30 June 2022 ($)	CONSOLIDATED 30 June 2021 ($)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		38,262	71,953
Other receipts		569,333	19,527
Payments to suppliers and employees		(3,561,846)	(2,406,433)
Interest paid		(1,369)	(1,709)
Interest received		486	134
NET CASH USED IN OPERATING ACTIVITIES	18	**(2,955,134)**	**(2,316,528)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(3,205)	-
NET CASH USED IN INVESTING ACTIVITIES		**(3,205)**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		26,400	7,620,629
Proceeds from issue of options		-	200
Payment of share issue costs		-	(443,479)
Repayment of borrowings		-	(46,582)
NET CASH PROVIDED BY FINANCING ACTIVITIES		**26,400**	**7,130,768**
Net increase/(decrease) in cash held		**(2,931,939)**	**4,814,240**
Effect of foreign exchange on cash balances		-	772
Cash and cash equivalents at beginning of financial year		4,827,370	12,358
Cash and cash equivalents at end of financial year	11	**1,895,431**	**4,827,370**

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The primary accounting policies adopted in the preparation of the Financial Statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) General Information

Neurotech International Limited (Company) or (Entity) is a public Company limited by shares, incorporated in Australia with operations in Malta. The Consolidated Financial Report of the Company as at and for the year ended 30 June 2022 comprises the Company and its subsidiaries (together referred to as the 'Consolidated Entity' or 'Group').

Neurotech International Limited is a medical device and solutions company conducting clinical studies to assess the neuro-protective, anti-inflammatory and neuro-modulatory activities of its proprietary cannabis strains. Neurotech is also commercialising Mente, the world's first home therapy that is clinically proven to increase engagement and improve relaxation in autistic children with elevated Delta band brain activity.

The nature of the operations and principal activities of the Consolidated Entity are described in the Directors' Report.

(b) Basis of Preparation

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Neurotech International Limited is a for profit entity for the purpose of preparing the Financial Statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied.

(i) Compliance with IFRS

The Financial Statements of the Group also comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standard Board (IASB).

The Financial Statements were approved by the Board of Directors on 31st August 2022.

(ii) Historical cost convention

The financial report has been prepared on an accrual basis and is based on historical costs *modified* by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. All amounts are presented in Australian dollars, unless otherwise noted.

(iii) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(c) Going Concern

The Directors are satisfied that the going concern assumption has been appropriately applied in preparing the financial statements and the historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the year ended 30 June 2022 the Group made an operating loss of $3,362,241 (2021: loss of $7,430,628), had cash outflows from operating activities of $2,955,135 (2021: $2,316,528). The Company had cash on hand as at 30 June 2022 of $1,895,431 (2021: $4,827,370) and net assets of $1,429,991 (2021: $3,861,466).

The consolidated entity's ability to continue as a going concern is dependent on raising further capital along with reducing costs and the cash impact of its costs. These factors indicate material uncertainty which may cast significant doubt as to whether the consolidated entity will continue as going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Company and consolidated entity will continue as going concern, after consideration of the following factors:

- The Company has the ability to issue additional shares (or other securities) under the Corporations Act 2001 to raise further working capital and has been successful in doing this previously, as evidenced by the successful shares issued in the recent financial years;

- The Company may be able to access funding for its activities at the project level via investments or grants or a combination of both; and

- The consolidated entity has the ability to scale down its operations in order to curtail expenditure, in the event capital raisings are delayed or insufficient cash is available to meet projected expenditure.

Accordingly, the Directors believe that the consolidated entity will be able to continue as going concerns and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The consolidated entity's ability to continue as a going concern is mainly dependent on its ability to obtain additional working capital through the issue of equity as and when required.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

(d) Impact of the adoption of new Accounting Standards

There were no new accounting Standards adopted by the Group during the financial year.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Financial Statements requires Management to make judgments, estimates and assumptions that affect the reported amounts in the Financial Statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the Financial Statements are outlined below:

(i) Share based payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes option pricing model, inputs used in valuing share-based payments, including options, are estimates.

(ii) Treatment of costs incurred for Research and Development

The Group's consideration of whether its internal projects to develop medical devices are in a research phase or development phase involves significant judgement.

The Group considers a project to be in a development phase when the following can be demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- there is intention to complete the project;
- the existence of a market to be able to sell output resulting from the completion of the project;
- how the intangible asset will generate probable future economic benefits;
- there is adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- expenditure attributable to the project can be reliably measured.

When the above 6 criteria are met, the Group will recognise an intangible asset in relation to the project, otherwise costs incurred to date on the project are expensed as incurred.

(e) Principles of Consolidation

The Consolidated Financial Statements incorporate the assets and liabilities of all the subsidiaries that Neurotech International Limited ('the Parent Entity') has the power to control the Consolidated Entity when the Group is exposed to, or has rights to, variable returns from its involvement with the Consolidated Entity and has the ability to affect those returns through its power to direct the activities of the Consolidated Entity, the financial and operating policies as at 30 June 2022 and the results of all subsidiaries for the year ended 30 June 2022. All intercompany balances and transactions between the Group and the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the Group.

Subsidiaries

Subsidiaries are all entities controlled by the Consolidated Entity. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

In the Company's Financial Statements, investments in subsidiaries are carried at cost. The Financial Statements of the subsidiary are prepared for the same reporting period as the Group, using consistent accounting policies. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

In preparing the Consolidated Financial Statements, all intercompany balances and transactions, income and expenses and profit or losses resulting from inter-entity transactions have been eliminated in full. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. The investments in subsidiaries held by Neurotech International Limited are accounted for at cost in the separate Financial Statements of the Group less any impairment charges. The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting

involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

(f) Foreign Currency translation

Functional and presentation currency

Items included in the Financial Statements of each of the Group entities are measured using the currency of the primary economic environment in which the Entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Australian dollars (A$), which is Neurotech International Limited's functional and presentation currency. The functional currency of the subsidiaries of Neurotech International Limited incorporated in Malta is the Euro (EUR€).

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Translation of Foreign Operations

The Statement of Profit or Loss and Other Comprehensive Income is translated at the average exchange rates for the year.

The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of the foreign entity, the deferred cumulative amount recognised in equity relating to that foreign operation will be recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(g) Revenue recognition

The Group's revenue is substantially from the sale of Mente devices, which to date are principally sold through Distributors which Neurotech has Distribution Agreements with Sales are recognised when control of the products has transferred, being when the products are delivered to the distributor, the distributor has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the distributor's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the distributor, and either the distributor has accepted the products in accordance with the distribution agreement, the acceptance provisions have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied.

With the exception of devices which are defective, Distributors are not able to return devices to Neurotech, that is, there is no "Right of Return", consequentially it is not necessary for the Group to consider the probability of units being returned which would lead to the recognition of a refund liability, and a right of return asset.

(h) Other income

Interest Income

Interest income is recognised using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Research and development grants

Government grants relating to research and development activities are recognised when received.

Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the group will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

(i) Research and development

Research expenditure is recognised as an expense as incurred.

Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads.
Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

(j) Income Tax Expenses or Benefit

The income tax expense or benefit (revenue) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the Financial Statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit. Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities, associates and interests in joint ventures where the Parent Entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not be reversed in the foreseeable future. Current and deferred tax balances relating to amounts are recognised directly in equity.

Neurotech International Limited and its resident subsidiaries have unused tax losses. However, no deferred tax balances have been recognised, as it is considered that asset recognition criteria have not been met at this time.

(k) Cash and cash equivalents

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

(l) Inventories

Inventories consist of autism related neurofeedback medical equipment being held for resale and are valued at the lower of cost and net realisable value. Cost is determined on the first-in first-out basis. Net realisable value is the estimate of the selling price in the ordinary course of business, less the expected selling expenses.

(m) Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days. Collectability of trade receivables is reviewed on an ongoing basis. The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Customers with heightened credit risk are provided for specifically based on historical default rates and forward-looking information. Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. Other receivables are recognised at amortised cost, less any provision for impairment.

(n) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(o) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.
Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(p) Financial Assets

Classification

All the Group's financial assets are classified in the category of "financial assets at amortised cost". Management determines the classification of financial assets at initial recognition.

Measurement

Loans and receivables are non‑derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non‑current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. The fair value of trade receivables and payables is their nominal value less estimated credit adjustments.

(q) Property, Plant and Equipment

Items of property, plant and equipment are initially recorded at historical cost less accumulated depreciation. Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful life.

The annual rates used for this purpose, which are consistent with those used in previous years, are as follows:

Furniture and fittings	20%
Computer equipment and software	20-25%
Medical and other equipment	25%

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial year in which they are incurred.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

(r) Intangible assets

Project Development Costs

Development costs that are directly attributable to the design and testing of identifiable and unique medical equipment products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the product so that it will be available for use;
- management intends to complete the product and use or sell it;
- there is an ability to use or sell the product;
- it can be demonstrated how the product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the

product are available; and
- the expenditure attributable to the product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the medical equipment product include the development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Medical equipment product development costs recognised as assets are amortised over their estimated useful lives, which does not exceed five years.

Patents and trademarks

Patents and trademarks are capitalised on the basis of the costs incurred to acquire and bring to use the respective medical equipment. These costs are amortised over their estimated useful lives of 5 to 15 years. Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite useful life of up to 15 years and are carried at cost less accumulated amortisation and impairment losses.

(s) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received prior to the end of the period, whether or not billed to the Group before reporting date. Trade accounts payable are normally settled within 60 days.

Financial liabilities are initially measured at their fair value and subsequently measured at amortised cost using the effective interest rate method and are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

(t) Borrowings

Borrowings are recognised initially at the proceeds received and net of issue costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method. Any difference between proceeds (net of issue costs) and the redemption value is recognised in the Statement of Profit or Loss and Other Comprehensive Income over the period of the borrowings using the effective yield method.

(u) Employee Benefits

Short term Employee Benefit Obligations

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

Other long-term Employee Benefit Obligations

The Group does not recognise a liability for annual leave at reporting date, annual leave taken during the course of employment and annual leave paid to employees upon termination of employment is recognised in the financial statements of the Group when the employee is paid for their leave.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognised termination benefits at the earlier of the following dates:

(a) when the Group can no longer withdraw the offer of those benefits; and
(b) when the Entity recognised costs for a restructuring that is within the scope of AASB 137 and involves the payment of terminations benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(v) Share-based payments

Share-based payments which have been granted to employees comprise of shares, share rights and share options.

Shares

The value of shares granted and issued to key management personnel in a year is recognised as an employee benefit expense with a corresponding increase in equity (share capital). The value of shares granted and vested to key management personnel in one year, which will be issued in a future year are recognised as an employee benefit expense with a corresponding increase in equity (share capital reserve). Upon issuing of the shares, the value in the share capital reserve will be transferred to share capital.

The value of shares granted and in the process of vesting to key management personnel are recognised as an employee benefit expense with a corresponding increase in equity (share-based payments reserve). Upon vesting and subsequent issue of the shares, the value in the share-based payments reserve will be transferred to share capital.

The basis for the value recognised for each share is the price at the time when the terms of the grant are agreed between the Group and the counter party.

Share rights

The value of share rights granted to key management personnel in a year is recognised as an employee benefit expense with a corresponding increase in equity (share-based payments reserve). In the year in which the share rights become vested, the value of share rights which have vested will be recognised in share capital reserve.

Upon issue of the related shares, the value in the share capital reserve is transferred to share capital. The basis for the value recognised for each share right is the price at the time when the terms of the grant are agreed between the Group and the counter party.

Share options

The fair value of options granted to employees (including Key Management Personnel) is recognised as an employee benefit expense with a corresponding increase in equity (share-based payments reserve). The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the Entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised in each period takes into account the most recent estimate.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

(w) Share-based Payment Transactions for the acquisition of goods and services

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions. The Group measures the value of equity instruments granted at the fair value of the goods and services received, unless that fair value cannot be measured reliably.
If the fair value of the goods or services received cannot be reliably measured, the transaction is measured by the by reference to the fair value of the instruments granted.

(x) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

(y) Earnings or Loss per share

Basic earnings or loss per share are calculated by dividing the net profit or loss attributable to members of the Parent Entity for the reporting period by the weighted average number of ordinary shares of the Group.

(z) Fair Value

The fair values of financial assets and liabilities are determined in accordance with generally accepted pricing models based on estimated future cash flow. There are currently no assets and liabilities which require fair valuing under the measurement hierarchy. Due to their short-term nature, the carrying amounts of the current receivables, current payables and current borrowings are assumed to approximate their fair value.

(aa) Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

2. Segment Information

The Directors have considered the requirements of AASB 8 – Operating segments. Operating segments are identified, and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker, which is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and consolidated statement of cash flows.

One segment is identified, being Medical Device Development and Distribution. The Group's business includes the commercialisation of Mente, the world's first home therapy that is clinically proven to increase engagement and improve relaxation in autistic children with elevated Delta band brain activity. Concurrently the Group is conducting clinical studies to assess the neuro-protective, anti-inflammatory and neuro-modulatory activities of its proprietary NTI/Dolce cannabis strains.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue represents the value of medical equipment and services sold by the Group measured on a point in time basis.

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Sales Mente products	38,262	206,144
	38,262	**206,144**

4. OTHER INCOME

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Research and development grants received	569,333	-
Shipping of sales products	23	222
Interest income	486	135
Proceeds on sale of plant and equipment	-	19,170
	569,842	**19,527**

5. EXPENSES

Cost of sales expenses

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Cost of units sold (Mente Products)	6,523	16,233
Obsolete stock provision	26,857	(50,565)
	33,380	**(34,332)**

6. SHARE BASED PAYMENTS EXPENSE

The primary purpose of share-based payments is to remunerate Directors, other Key Management Personnel and Service providers for the services rendered to the Group.

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Options issued to Dr Alex Andrews (CEO)	59,280	-
Options issued to directors	24,677	515,367
Expense recognised for the year for options previously issued to Peter Griffiths (former CEO)	-	24,583
Adjustment to valuation of shares issued to directors for director's fees	-	176,040
Options issued to Max Capital	-	202,487
Options issued to Merchant Capital	-	298,366
	83,957	**1,216,843**

Options issued to CEO

The share-based payments expense for the year ended 30 June 2022, included an amount of $59,280 representing the expense for the financial year of the options granted to the Group's CEO Dr Alexandra Andrews on 1 March 2022. The assessed fair value of these options was determined using a Black-Scholes option pricing model with the following inputs:

Input	Tranche 1	Tranche 2	Tranche 3	Total
Number of options	5,000,000	5,000,000	5,000,000	15,000,000
Underlying share price	$0.05	$0.05	$0.05	
Exercise price	$0.08	$0.12	$0.16	
Expected volatility	100%	100%	100%	
Expiry date (years)	2.0	2.0	2.0	
Vesting date	8 Mar 2023	8 Sep 2023	8 Mar 2024	
Expected dividends	-	-	-	
Risk free rate	0.60%	1.34%	1.34%	
Total Value	$103,419	$80,803	$65,408	$249,630
Expensed in the financial year ended 30 June 2022	$32,301	$16,779	$10,200	$59,280

Detailed remuneration disclosures for Directors and Executives for the year to 30 June 2022 are provided in the Remuneration Report on pages 17 to 24.

7. RESEARCH EXPENSES

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Cash consideration for acquisition of Dolce Cann licence	-	50,000
Shares issued pursuant to the prospectus dated 26 August 2020	-	494,000
Shares issued upon achievement of Stage 1 milestones	-	1,188,000
Shares issued upon extension to the Biotechnology licence	-	960,000
Shares issued to Canna Pacific	-	116,000
Options issued pursuant to the prospectus dated 26 August 2020	-	441,896
Contingent consideration – Performance Rights	-	795,000
Other R&D expense	2,578,153	1,312,918
	2,578,153	**5,357,814**

During the prior year the Company acquired an exclusive worldwide licence to utilise proprietary cannabis strains from Dolce Cann Global Pty Ltd ('Dolce) for medicinal use in treating neurological disorders including autism, epilepsy and ADHD. As part of this acquisition and pursuant to the prospectus dated 26 August 2020, the Company issued 38,000,000 ordinary shares and 38,000,000 options with an exercise price of $0.01 and an expiry date of 31 January 2023.

On 22 December 2020 a further 33,000,000 ordinary shares were issued to Dolce, or its nominees, upon successful completion of the Stage 1 milestone in vitro assay assessments being completed. On 15 March 2021 a further 15,000,000 ordinary shares were issued to Dolce, or its nominees, for the extension of the biotechnology licence.

On 12 May 2021 2,000,000 ordinary shares were issued to Canna Pacific Limited for contracted services provided.

All share issue expenses were calculated using the closing share price applicable on the date the shares were issued. The option expense was calculated under the Black-Scholes option valuation model.

[1] Options issued on acquisition of Dolce Cann licence

The expense of $441,896 was calculated using the Black Scholes option valuation model using the following inputs:

	Unlisted options NTIOPT8
Number of options in series	38,000,000
Grant date share price	$0.015
Exercise price	$0.01
Expected volatility	139%
Option life	34 months
Dividend yield	0.00%
Interest rate	0.28%

8. INCOME TAX

The current taxation charge comprises taxation at 30.00% on the profit generated by one of the Group's entities as adjusted for tax purposes.

A deferred taxation asset arising on temporary differences and unused tax losses has not been recognised in these financial statements.

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
The numerical reconciliation between tax expense and the accounting loss before income tax multiplied by the Group's applicable income tax rate is as follows:		
Accounting (loss) before income tax	(3,362,241)	(6,636,100)
Income tax benefit calculated at the Group's statutory income tax rate of 30.00% (2021: 30.00%)	(1,008,672)	(1,824,928)
Tax effect of non-deductible expenses	47,422	1,058,848
Tax losses not brought to account	961,250	766,080
Income tax benefit	-	-

Historical tax losses not brought to account are estimated at $7,632,858 (2021: $4,428,690).

The benefit for tax losses will only be obtained if:

(a) the Group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;

(b) the Group continues to comply with the conditions for deductibility imposed by Law; and

(c) no changes in tax legislation adversely affect the ability of the Group to realise these benefits.

9. FINANCIAL RISK MANAGEMENT

i. Overview

The financial risks arising from the Group's operations comprise market, liquidity and credit risk. These risks arise in the normal course of business, and the Group manages its exposure to them in accordance with the Group's portfolio risk management strategy.

The objective of the strategy is to support the delivery of the Group's financial targets while protecting its future financial security and flexibility by taking advantage of the natural diversification provided by the scale, diversity and flexibility of the Group's operations and activities.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring risk and the management of capital.

The Group's Risk Management Framework is supported by the Board. The whole Board is responsible for approving and reviewing the Group's Risk Management Strategy and Policy. Management is responsible for monitoring appropriate processes for identifying, monitoring and managing significant business risks faced by the Group and considering the effectiveness of its internal control system.

The Board has established an overall Risk Management Policy which sets out the Group's system of risk oversight, management of material business risks and internal control.
The Group holds the following financial instruments:

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Financial assets		
Cash and cash equivalents	1,895,431	4,827,370
	1,895,431	**4,827,370**
Financial Liabilities		
Trade and other payables	520,062	349,418
	520,062	**349,418**

ii. Financial Risk Management Objectives

The overall financial Risk Management Strategy focuses on the unpredictability of the finance markets and seeks to minimise the potential adverse effects on financial performance and protect future financial security.

iii. Credit Risk

Credit risk is the risk of the financial loss to the Group if counterparty to a financial instrument fails to meet its contractual obligations and the risk arises principally from the Group's cash and cash equivalents, deposits with banks and financial institutions, and receivables.

Cash at bank is placed with reliable financial institutions. For banks and financial institutions, the Group banks only with financial institution with high quality standing or rating.

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared risk characteristics and the days past due. Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Trade receivables		
Counterparties without external credit rating, past due but not impaired		
Existing customers (more than 6 months) with no defaults in the past	-	-
Counterparties without external credit rating, past due and impaired		
Gross value	-	63,157
Doubtful debt provision	-	(63,157)
Net value	-	-

Other receivables		
GST receivable	99,483	142,857
Total trade and other receivables	**99,483**	**142,857**

Cash at bank and Commercial Bills		
Cash at bank – National Australia Bank	1,890,571	4,716,751
Cash at bank – Bank of Valletta Plc. **	4,860	110,032
Petty cash account	-	587
	1,895,431	**4,827,370**

**Bank of Valletta is currently rated 'BBB-' by an international rating agency.

iv. Liquidity Risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

Ultimate responsibility for Liquidity Risk Management rests with the Board of Directors. The Board has determined an appropriate Liquidity Risk Management Framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring budgeted and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of the discounting is not significant.

Contractual maturities of financial liabilities	Less than 6 months ($)	6 – 12 months ($)	More than 12 months ($)	Total ($)	Carrying Amount ($)
Group - at 30 June 2022					
Trade payables	520,062	-	-	520,062	520,062
Total	**520,062**	**-**	**-**	**520,062**	**520,062**
Group - at 30 June 2021					
Trade payables	349,418	-	-	349,418	349,418
Total	**349,418**	**-**	**-**	**349,418**	**349,418**

The Group has an unsecured General Banking Facility of €60,000 ($91,056) by Bank of Valletta P.L.C., which was undrawn at 30 June 2022.

v. Market Risk

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

vi. Foreign Exchange Risk

The Group is exposed to currency risk on financial assets or liabilities that are denominated in a currency other than the respective functional currencies of the Group's, the Australian Dollar (AUD) for Parent Entity and Euro (EUR) for the subsidiaries of Consolidated Entity.

The Parent Entity which has a functional currency of Australian Dollars has no exposure to foreign exchange risk as there are no financial assets or liabilities denominated in a foreign currency (30 June 2022: nil). The subsidiaries of the of the Parent Entity, which have a functional currency of the Euro (EUR) have no exposure to foreign exchange risk as there are no financial assets or liabilities denominated in a foreign currency (30 June 2022: nil).

vii. Interest Rate Risk

The Group's exposure to interest rates primarily relates to the Group's cash and cash equivalents. As the Group has no significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates. The Group has a low level of interest-bearing liabilities and as such does not actively manage exposure to interest rate risk

Profile

At the reporting date, the interest rate profile of the Group's and the Entity's interest-bearing financial instruments are:

Variable Rate Instruments

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Financial Assets	1,895,431	4,827,370
Financial Liabilities	-	-
	1,895,431	**4,827,370**

As at 30 June 2022 the Group had no interest bearing borrowings or other liabilities.

The Group's exposure to interest rate risk and effective weighted average interest rate by maturing periods is set out in tables below. All cash balances and borrowings are subject to a floating interest rate. The Group does not earn interest on cash held in the EUR currency, and the below stated weighted average interest rate reflects this.

30 June 2022

	Weighted Average Effective Interest	Cash Available for use	Total
Cash and cash equivalents	0.10%	1,895,431	1,895,431

30 June 2021

	Weighted Average Effective Interest	Cash Available for use	Total
Cash and cash equivalents	0.01%	4,827,370	4,827,370

Up to the end of the reporting period, the Group did not have any hedging policy with respect to interest rate risk as exposure to such risk was not deemed to be significant by the directors since these assets are of a short- term nature. Management considers the potential impact on profit or loss of a defined interest rate shift that is reasonably probable at the end of the reporting period to be immaterial.

Cash Flow Sensitivity Analysis for Variable Rate Instruments

The Board's assessment of a reasonably possible change in interest rates relating to the Company's Cash and Cash equivalents and borrowings is disclosed in the table below:

	Number of basis points
Cash and cash equivalents	25

Management considers the potential impact on profit or loss of a reasonably possible change in interest rates at the end of the reporting period to be immaterial based on the prevailing interest rates.

10. CAPITAL MANAGEMENT

When managing capital, the Board's objective is to maintain optimal returns to Shareholders and benefits for other Stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the Group.

The Group has no formal financing and gearing policy or criteria during the year having regard to the early status of its development and low level of activity. This position has not changed from the previous year.

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following Consolidated Statement of Financial Position amounts:

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Cash at Bank and on hand	1,880,431	4,827,370
Term Deposit	15,000	-
	1,895,431	**4,827,370**

The term deposit amount is used as security for credit cards. No amount of the Group's Cash at bank and on hand is restricted (30 June 2021: Nil). Refer to Note 9 Financial Risk Management for risk exposure analysis for Cash and cash equivalents.

12. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Trade receivables	-	63,157
Provision for non-recovery	-	(63,157)
Net Trade receivables	**-**	**-**
GST/VAT/Sales Tax Receivable	99,483	142,860
	99,483	**142,860**

13. PAYABLES

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Trade payables	520,062	323,977
Accrued expenses	66,779	25,441
Provision for annual leave	6,139	-
	592,980	**349,418**

14. CONTINGENT CONSIDERATION

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Contingent consideration	-	795,000
	-	**795,000**

As at 30 June 2021, the 15,000,000 Performance Rights with a vesting deadline of 1 March 2023 issued to Dolce Cann for the extension to the Biotechnology was treated as deferred consideration and classified as a non-current liability. The Performance Rights were valued at $0.053 each, being the Company's share price on the issue date of 30 June 2021 with the vesting considered to have a probability of 100%.

This contingent liability has been extinguished following the issue of the securities.

15. CONTRIBUTED EQUITY

	CONSOLIDATED			
	2022 (Shares)	2021 (Shares)	2022 ($)	2021 ($)
Ordinary Shares	697,699,126	696,819,126	25,776,778	25,750,378
Total Share Capital	**697,699,126**	**696,819,126**	**25,776,778**	**25,750,378**

Movements of share capital during the year

Date	Details	No of shares	Issue price ($)	$
Opening Balance at 1 July 2021		**696,819,126**		**25,750,378**
16.11.2021	Exercise of options	396,000	0.03	11,880
24.01.2022	Exercise of options	484,000	0.03	14,520
Closing Balance at 30 June 2022		**697,699,126**		**25,776,778**

The holder of Ordinary Shares is entitled to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary Shares have no par value and the Group does not have a limited amount of authorised capital.

Movements of share capital during the previous year

Date	Details	No of shares	Issue price ($)	$
Opening Balance at 1 July 2020		**215,215,629**		**15,498,123**
27.07.2020	Placement Tranche 1	32,250,000	$0.005	161,250
02.09.2020	Placement Tranche 2	67,750,000	$0.005	338,750
30.09.2020	Shares issued in lieu of director's fees	35,349,127	$0.013	459,539
30.09.2020	Shares issued pursuant to prospectus dated 26 August 2020	38,000,000	$0.013	494,000
06.11.2020	Exercise of NTIOPT7 options	15,096,786	$0.005	75,484
12.11.2020	Placement Tranche 1	97,000,000	$0.022	2,134,000
11.12.2020	Exercise of 3,987,832 NTIOPT6 unlisted options at $0.0084	3,987,832	$0.0084	33,498
11.12.2020	Exercise of 5,000,000 NTIOPT8 unlisted options at $0.01	5,000,000	$0.010	50,000
11.12.2020	Issue of shares in lieu of fees for services (share based payment)	1,750,000	$0.005	87,500
22.12.2020	Placement Tranche 2	16,636,363	$0.022	366,000
22.12.2020	Shares Issued to Dolce Cann for Stage 1 Milestones achieved	33,000,000	$0.036	1,188,000
04.03.2021	Exercise of NTIOPT12 options	2,500,000	$0.0300	75,000
15.03.2021	Placement	36,363,637	$0.0555	2,000,000
15.03.2021	Issue of Dolce Shares (First Tranche) - Extension to the Biotechnology Licence	15,000,000	$0.0640	960,000
15.03.2021	Exercise of NTIOOPT7 Options	23,796,786	$0.0050	118,984
15.03.2021	Exercise of NTIO Options	4,034	$0.0600	242
19.03.2021	Exercise of NTIO Options	420,791	$0.0600	25,247
26.03.2021	Exercise of NTIO Options	1,173,099	$0.0600	70,386
01.04.2021	`Exercise of NTIO Options	12,082,994	$0.0600	724,980
16.04.2021	Exercise of NTIO Options	500,000	$0.0600	30,000
16.04.2021	Exercise of NTIO Options	11,942,048	$0.0600	716,523
19.04.2021	Exercise of NTIOPT7 Options	20,000,000	$0.0050	100,000
12.05.2021	Issue of Canna Pacific Shares	2,000,000	$0.0580	116,000
19.05.2021	Exercise of NTIOPT13 options	10,000,000	$0.0600	600,000
	Capital raising costs			(673,128)
Closing Balance at 30 June 2021		**696,819,126**		**25,750,378**

16. RESERVES

	CONSOLIDATED		
	Share Based Payments Reserve ($)	Foreign Currency Translation Reserve ($)	Total Reserves ($)
Balance as at 30 June 2020	**1,681,269**	**77,551**	**1,758,820**
Foreign exchange movement	-	(26,702)	(26,702)
Share based payments	1,712,834	-	1,712,834
Balance as at 30 June 2021	**3,394,103**	**50,849**	**3,444,952**
Foreign exchange movement	-	25,409	25,409
Share based payments (note 6)	83,957	-	83,957
Recognition of deferred consideration (note 14)	795,000	-	795,000
Balance at 30 June 2022	**4,273,060**	**76,258**	**4,349,318**

(a) Share-based payments Reserve

The share-based payments reserve represents the value of options and share rights issued to key management personnel, vendors and for services in relation to capital raisings. The share-based payments reserve is used to record the value of the share-based payments provided to employees, consultants and for options issued pursuant to any acquisition or in exchange for services.

(b) Foreign Currency Reserve

The foreign currency reserve records foreign currency differences arising from the translation of financial information of the Group's Maltese subsidiaries which have a functional currency of the Euro.

17. ACCUMULATED PROFIT/(LOSS)

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Accumulated (loss) at the beginning of the year	(25,333,864)	(17,903,236)
Loss attributable to shareholders	(3,362,241)	(7,430,628)
Accumulated (loss) at the end of the year	**(28,696,105)**	**(25,333,864)**

18. CASH FLOW INFORMATION

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Reconciliation of cash flow from operating activities with the loss from continuing operations after income tax:		
Non-cash flows in profit from ordinary activities		
Net (Loss) after Income Tax	(3,362,241)	(7,430,628)
Share based payments	83,957	4,990,971
Lease payments	-	(864)
Share issue costs	-	(229,934)
Changes in assets & liabilities		
(Increase)/Decrease in trade and other receivables	43,467	(116,823)
(Increase)/Decrease in prepayments	17,326	-
(Increase)/Decrease in inventories	(7,202)	-
Increase/(Decrease) in trade and other payables	244,148	471,522
(Decrease) arising from exchange rate movements	25,410	(772)
Cash flow used in Operating Activities	**(2,955,135)**	**2,316,528)**

19. INTERESTS IN OTHER ENTITIES

Name of Entity	Place of business/country of incorporation	Ownership Interest held by the Group		Principal Activities
		2022	2021	
AAT Research Ltd	Malta	100%	100%	Parent Group of AAT Medical Ltd
AAT Medical Ltd	Malta	100%	100%	Executing medical research projects and developing novel technological devices that are marketable

20. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 7 July 2022 the Company appointed Mr Gerald Quigley as a Non-Executive Director.

On 15 August 2022 the Company appointed Dr Thomas Duthy as a consultant to the Company with a focus on investor relations and Strategic Corporate Development. In addition, the Board has made a commitment to appoint Dr Duthy as an Executive Director, to assist the Company in this capacity effective 1 September 2022.

On 15 August 2022 current Non-Executive Director Mr Mark Davies was appointed as Chairman of the Board and Mr Brian Leedman and Ms Krista Bates resigned as Directors.

In addition to the above changes, the Company announced that as at 15 August 2022, current Non-Executive Director Professor Allan Cripps was appointed as Chief Scientist and Gerald Quigley as Director of Public Relations.

On 16 August 2022 the Company announced the proposed issue of 20,000,000 options to Dr Thomas Duthy and 5,000,000 options to Professor Allan Cripps and 5,000,000 options to Mr Gerald Quigley as an equity based incentive component to their remuneration packages. These securities are subject to shareholder approval at a future General Meeting.

Other than detailed above, no other matters or circumstances have arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

21. REMUNERATION OF AUDITOR

During the year the following fees were paid or payable for services provided by the Auditor of the Entity and its related parties.

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Audit and Other Assurance Services		
BDO Audit (WA) Pty Ltd	53,319	50,040
Total remuneration for Audit and Other Assurance Services	**53,319**	**50,040**

22. COMMITMENTS

The Company has no commitments not recognised as liabilities as at 30 June 2022 (2021: $nil).

23. LOSS PER SHARE

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Basic loss per share (cents per share)	(0.48)	(1.51)
(Loss) used in the calculation of Earnings (Loss) Per Share	**(3,362,241)**	**(7,430,628)**
Weighted average number of ordinary shares	697,272,507	492,617,808

Effect of dilutive securities: Share options are not considered dilutive as the conversion of options to ordinary shares will result in a decrease in the net loss per share.

24. CONTINGENT LIABILITIES

The Board is not aware of any circumstances or information, which leads them to believe there are any material contingent liabilities outstanding as at 30 June 2022.

25. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

At 30 June 2022 and 30 June 2021, the carrying amounts of financial assets and financial liabilities classified with current assets and current liabilities respectively approximated their fair values due to the short-term maturities of these assets and liabilities. The fair values of non-current financial assets and non-current financial liabilities are not materially different from their carrying amounts.

26. RELATED PARTY DISCLOSURES

Parent Entity

The legal Parent Entity of the Group is Neurotech International Limited (NTI). NTI owns 100% of the issued ordinary shares of AAT Research Limited (directly), AAT Medical Limited, and AAT Intellectual Property Limited (indirectly) which are the subsidiaries of AAT Research Limited. All subsidiaries are incorporated in Malta.

Wholly owned Group transactions

Loans made by Neurotech International Limited (NTI) to wholly owned subsidiary companies are contributed to meet required expenditure payable on demand and are not interest bearing.

Key Management Personnel

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Short-term employee benefits	365,946	175,688
Share-based payment	83,957	715,998
	449,903	**891,686**

Detailed remuneration disclosures for Directors and Executives for the year to 30 June 2022 are provided in the Remuneration Report on pages 17 to 24.

Transactions with other related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transaction occurred with related parties for the year ended 30 June 2022:

	CONSOLIDATED	
	30 June 2022 ($)	30 June 2021 ($)
Administration fee to Azalea Consulting Pty Ltd	116,050	124,120
Bookkeeping and accounting services to Valle Corporate Pty Ltd	23,013	21,409
Total	**139,063**	**145,529**

Notes in relation to the table of related party transactions.

Payments to Azalea Consulting Pty Ltd (director related entity of Winton Willesee) for corporate administration services including company secretarial and accounting services and front and registered office services.

Payments to Valle Corporate Pty Ltd (director related entity of Winton Willesee) for bookkeeping and financial reporting services fees.

27. PARENT ENTITY INFORMATION

The following information related to the Parent Entity, Neurotech International Limited, as at 30 June 2022.

The information presented here has been prepared using accounting policies as presented in Note 1.

	30 June 2022 ($)	30 June 2021 ($)
Current assets	1,908,501	4,894,257
Non-current assets	2,617	-
Total Assets	**1,911,118**	**4,894,257**
Current liabilities	481,127	237,791
Non-current liabilities	-	795,000
Total Liabilities	**481,127**	**1,032,791**
Net Assets	**1,429,991**	**3,861,466**
Loss for the year	(3,104,705)	(7,350,245)
Other comprehensive profit/(loss) for the year	-	-
Total Comprehensive Loss for the Year	**(3,104,705)**	**(7,350,245)**

There are no other separate commitments and contingencies for the parent entity as at 30 June 2022.

DIRECTORS' DECLARATION

In the opinion of the Directors of Neurotech International Limited (Group):

(a) the Financial Statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and Notes set out on pages 28 to 57, are in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of their performance, for the financial period ended on that date; and

  (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and other mandatory professional reporting requirements.

(b) the Financial Report also complies with International Financial Reporting Standards as disclosed in Note 1; and

(c) there are reasonable grounds to believe that the Group 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* by the Financial Officer for the financial period ended 30 June 2022.

Signed in accordance with a resolution of the Directors.

Winton Willesee
Non-Executive Director
Dated at Perth, Western Australia, 31 August 2022

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Neurotech International Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Neurotech International Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, 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:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

(ii) 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 *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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Accounting for Share Based Payments

Key audit matter	*How the matter was addressed in our audit*
During the year, the group awarded share based payments in the form of share options. Due to the complex and judgemental estimates used in determining the valuation of the share based payments in accordance with AASB 2 Share Based Payments, we consider the Group's calculation of the share based payment expense, and associated disclosure to be a key audit matter.	Our procedures included, but were not limited to the following: • Reviewing relevant supporting documentation to obtain an understanding of the contractual nature, terms and conditions of the share based payment arrangements; • Considering the appropriateness of the valuation methodology used by management to measure and value the share-based payments; • Involving our internal valuation specialists to assess the reasonableness of volatility rate used in the valuation; • Assessing the allocation of the share-based payment expense over managements expected vesting period; and • Assessing the adequacy of the related disclosures in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the 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 ability of the group 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 has 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 (http://www.auasb.gov.au/Home.aspx) 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 17 to 24 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Neurotech International Limited, for the year ended 30 June 2022, 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.

BDO Audit (WA) Pty Ltd

Glyn O'Brien

Director

Perth, 31 August 2022

ASX ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 1 August 2022.

1. Quotation

Listed securities in Neurotech International Limited are quoted on the Australian Securities Exchange under ASX code NTI (Fully Paid Ordinary Shares).

2. Voting Rights

The voting rights attached to the Fully Paid Ordinary shares of the Company are:

(a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

(b) on a show of hands, every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

There are no voting rights attached to any Options or Performance Rights on issue.

3. Distribution of Shareholders

i) Fully Paid Ordinary Shares

Holdings Range	Holders	Units	%
1 – 1,000	53	7,835	-
1,001 – 5,000	98	315,693	0.05
5,001 – 10,000	238	2,035,978	0.29
10,001 – 100,000	790	32,130,081	4.61
100,001 and above	415	663,209,539	95.06
Total	**1,594**	**697,699,126**	**100.00%**

On 1 August 2022, there were 162 holders of unmarketable parcels of less than 5,682 ordinary shares (based on the closing share price of $0.088).

ii) NTIOPT3 - Unlisted Options exercisable at $0.0189 on or before 18 November 2022

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	4	10,000,000[1]	100.00
Total	**4**	**10,000,000**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Jameker Pty Ltd <AKJ Family No2 A/C> – 4,000,000 options
Seivad Investments Pty Ltd <The Davies Family A/C> - 2,000,000 options
Chincherinchee Nominees Pty Ltd – 2,000,000 options
Mr David Steven Cantor - 2,000,000 options

iii) NTIOPT4 - Unlisted Options exercisable at $0.0589 on or before 18 November 2024

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	6,500,000[1]	100.00
Total	**1**	**6,500,000**	**100.00%**

[1] All the securities in this class are held by:
Shimano Ventures Ltd

iv) NTIOPT5 - Unlisted Options exercisable at $0.0199 on or before 18 November 2024

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	5,429,754[1]	100.00
Total	**1**	**5,429,754**	**100.00%**

[1] All the securities in this class are held by:
Shimano Ventures Ltd

v) NTIOPT7 - Unlisted Options exercisable at $0.005 on or before 31 January 2023

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	3	16,590,356[1]	100.00
Total	**3**	**16,590,356**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Javaler Pty Ltd <Falcon Pension A/C> - 5,945,178 options
J & J Bandy Nominees Pty Ltd <Bandy P/F A/C> - 5,645,178 options
Chincherinchee Nominees Pty Ltd – 5,000,000 options

vi) NTIOPT8 - Unlisted Options exercisable at $0.010 on or before 31 January 2023

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	3	33,000,000[1]	100.00
Total	**3**	**33,000,000**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Dutch Ink (2010) Pty Ltd – 22,000,000 options
Dolce Cann Global Pty Ltd – 11,000,000 options

vii) NTIOPT9 - Unlisted Options exercisable at $0.038 on or before 30 November 2023

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	2	4,000,000[1]	100.00
Total	**2**	**4,000,000**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Chincherinchee Nominees Pty Ltd – 2,000,000 options
Seivad Investments Pty Ltd <The Davies Family A/C> – 2,000,000 options

viii) NTIOPT10 - Unlisted Options exercisable at $0.015 on or before 31 October 2023

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	10,000,000[1]	100.00
Total	**1**	**10,000,000**	**100.00%**

[1] All the securities in this class are held by:
Mr Brian Leedman & Mrs Natasha Leedman

ix) NTIOPT11 - Unlisted Options exercisable at $0.020 on or before 31 October 2023

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	10,000,000[1]	100.00
Total	**1**	**10,000,000**	**100.00%**

[1] All the securities in this class are held by:
Mr Brian Leedman & Mrs Natasha Leedman

x) NTIOPT12 - Unlisted Options exercisable at $0.030 on or before 22 December 2022

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	6	6,620,000[1]	100.00
Total	**6**	**6,620,000**	**100.00%**

[1]The following holder holds more than 20% of securities:
Max Capital Pty Ltd – 3,630,000 options

xi) NTIOPT14 - Unlisted Options exercisable at $0.09 on or before 12 May 2023

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	4	11,000,000[1]	100.00
Total	**4**	**11,000,000**	**100.00%**

[1]The following holder holds more than 20% of securities:
Macaronis Pty Ltd <Pink Lady A/C> – 8,000,000 options

xii) NTIOPT15 - Unlisted Options exercisable at $0.08 on or before 10 March 2024

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	5,000,000[1]	100.00
Total	**1**	**5,000,000**	**100.00%**

[1] All the securities in this class are held by:
Dr Alexandra Elizabeth Marion Heaton

xiii) NTIOPT16 - Unlisted Options exercisable at $0.12 on or before 10 March 2024

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	5,000,000[1]	100.00
Total	**1**	**5,000,000**	**100.00%**

[1] All the securities in this class are held by:
Dr Alexandra Elizabeth Marion Heaton

xiv) NTIOPT17 - Unlisted Options exercisable at $0.16 on or before 10 March 2024

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	5,000,000[1]	100.00
Total	**1**	**5,000,000**	**100.00%**

[1] All the securities in this class are held by:
Dr Alexandra Elizabeth Marion Heaton

xv) Performance Rights expiring on 1 March 2023

Holdings Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	7	15,000,000[1]	100.00
Total	**7**	**15,000,000**	**100.00%**

[1]Holders who hold more than 20% of securities are:
Martha Jane Medical Limited – 5,000,000 Performance Rights
Dolce Cann Global Pty Ltd – 5,000,000 Performance Rights

4. Substantial Shareholders

The Company has not received any notices of substantial shareholdings.

5. Restricted Securities

There are no restricted securities listed on the Company's register as at 1 August 2022.

6. On market buy-back

There is currently no on market buy back in place.

7. Twenty Largest Shareholders

The twenty largest shareholders of the Company's quoted securities as at 1 August 2022 are as follows:

	Name	No. of Shares	%
1	Quadrangle Capital Pty Ltd	44,000,000	6.31%
2	Gleneagle Securities Nominees Pty Limited	36,875,371	5.29%
3	Jalaver Pty Ltd <Falcon Pension A/C>	33,900,000	4.86%
4	J & J Bandy Nominees Pty Ltd <Bandy P/F A/C>	33,500,000	4.80%
5	Citicorp Nominees Pty Limited	33,149,073	4.75%
6	The Trust Company (Australia) Limited <MOF A/C>	26,250,000	3.76%
7	Greywood Holdings Pty Ltd	24,200,000	3.47%
8	Chincherinchee Nominees Pty Ltd	22,693,572	3.25%
9	Dolce Cann Global Pty Ltd	22,000,000	3.15%
10	Mrs Melanie Therese Verheggen	17,038,528	2.44%
11	Spinite Pty Ltd	17,000,000	2.44%
12	Mr Stephen John Dobson	11,296,786	1.62%
13	Dutch Ink (2010) Pty Ltd	8,129,023	1.17%
14	BR Corporation Pty Ltd	8,000,000	1.15%
15	Haslingden Pty Ltd <Grids S/F A/C>	7,800,000	1.12%
16	Seivad Investments Pty Ltd	7,793,017	1.12%
17	Britoak Pty Ltd	6,890,475	0.99%
18	The Sun W Investment Pty Ltd <Sun Family A/C>	6,827,272	0.98%
19	Mr Deming Liu	6,700,000	0.96%
20	Gofour Sail Pty Ltd	6,555,677	0.94%
	Total	**380,598,794**	**54.55%**