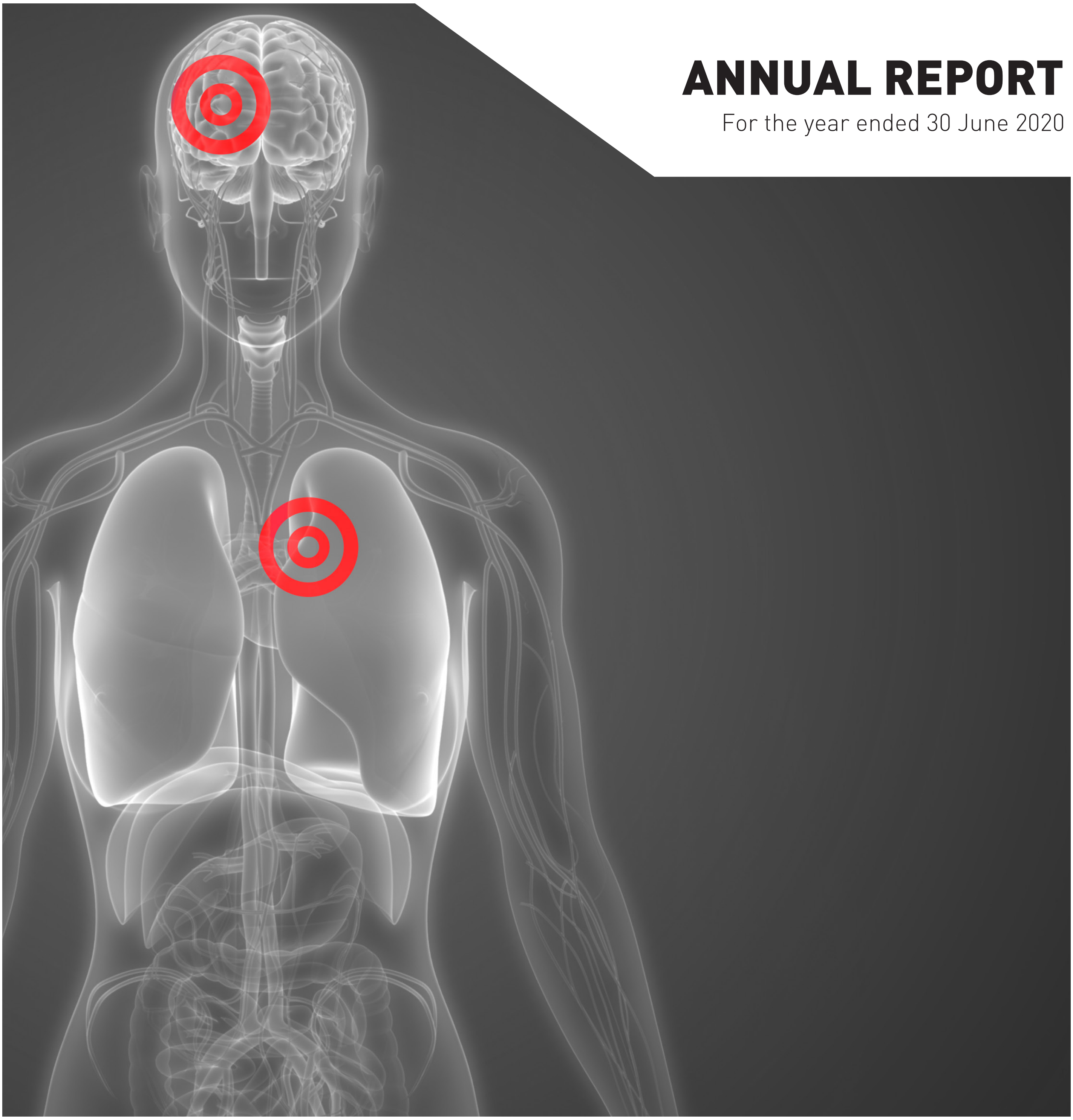


ANNUAL REPORT

For the year ended 30 June 2020

NYRADA INC

ABRN 625 401 818

Corporate Directory

Board of Directors	John Moore, Non-Executive Chairman Graham Kelly, Non-Executive Director Peter Marks, Non-Executive Director Ruediger Weseloh, Non-Executive Director Marcus Frampton, Non-Executive Director Christopher Cox, Non-Executive Director (Appointed on 7 November 2019)
Company Secretary	David Franks
Registered office in Australia and principal place of business	Suite 3 Level 4 828 Pacific Highway Gordon, NSW 2072 Australia Tel: +61 2 9053 1990
Registered office in place of incorporation	1209 Orange Street Wilmington, Delaware 19801 United States of America
Website	www.nyrada.com
Auditors	Nexia Sydney Audit Pty Ltd Level 16, 1 Market Street Sydney, NSW 2000
Share/CDI Registry	Automic Pty Ltd Level 5, 126 Phillip Street Sydney, NSW 2000
Stock Exchange	Australian Securities Exchange 20 Bridge Street Sydney NSW 2000
ASX Code	NYR

Contents

Chairman's Letter

Dear Shareholders,

I am delighted to welcome you to Nyrada's Annual Report for the financial year 2020, our first report as a listed company following our initial public offering on the Australian Securities Exchange (ASX) in January 2020.

Nyrada is a drug discoverer and early stage developer. Our highly commercial business model is focused on maximising the value of our product candidates early on by following a thoughtful and effective capital allocation strategy.

As such, we are focused on combining novel scientific insights targeted at areas of substantial unmet medical need. Here, judicious capital deployment can de-risk early stage assets and provide an opportunity for licensing to large pharma partners before significant capital outlays are required in later stage clinical trials. This limits our losses, allows us to recycle capital and reduces the likelihood of ruinous dilution that typically plague early stage biotech companies. We also seek to leverage our shareholders' capital through non-dilutive sources of financing.

Our focused approach is captured succinctly by David Packard, founder of Hewlett Packard, who once said, "More businesses die from indigestion, than starvation."

Nyrada focuses on no more than two or three drug development projects at a time, leading with our cholesterol lowering (PCSK9 inhibitors) and brain injury programs. We also have an active drug discovery pipeline to bring more drugs through the value creation process.

Nyrada's cholesterol lowering program seeks to develop a novel, cost-competitive and convenient PCSK9 inhibitor that helps patients with high LDL cholesterol achieve their target cholesterol levels. Of the 62 million adults in the US with high cholesterol, roughly half take a statin. Yet 20 million are unable to reach healthy target levels with a statin alone.

Our brain injury program is developing a neuroprotectant drug to limit the secondary brain injury, called excitotoxicity, that occurs in the days following a traumatic injury, concussion or stroke. Each year in the US alone, 2.8 million people suffer a traumatic brain injury and 800k suffer a stroke. There is considerable medical need for these patients as, aside from neurosurgery and physical rehabilitation, no satisfactory treatments exist.

Nyrada is driven by a highly experienced management team, led by CEO James Bonnar who has more than 20 years of experience in the global life sciences industry. It is supported by a very high calibre Board and Scientific Advisory Board who bring extensive strategic knowledge and strong industry networks.

I'd like to thank the whole team for their dedication and ongoing hard work to drive our programs forward. Thank you, also to our loyal shareholders for continuing to support us as we work towards entering the human trials and industry partnerships.

Yours sincerely,

John J. Moore

John Moore

Non-Executive Chairman

CEO Report

Dear Shareholders,

I am pleased to report Nyrada's good progress for the financial year 2020, a year which saw us become a listed company. We raised AU$8.5 million at listing and these funds are largely being applied to the preclinical studies needed to optimise and select the very best lead candidates for our two drug development programs and advance them to human trials.

Despite the extraordinary global health and economic challenges from the COVID-19 pandemic, I am very pleased with the progress Nyrada has reported.

During the year, our cholesterol lowering compounds demonstrated equivalency to the two FDA approved monoclonal PCSK9 antibody drugs which are only available as injections: Amgen's Repatha and Regeneron/Sanofi's Praluent. Our PCSK9 inhibitors are small molecules and as such, are cheap to produce and have the potential to be administered as a pill. They can also be combined with a statin into a single pill treatment. We believe that this represents a breakthrough in cholesterol management and overcomes the patient compliance challenges associated with the current injectable options and taking two separate treatments in combination.

We also optimised and selected a lead drug candidate with improved potency and drug-like properties in July 2020, from more than 150 potential new compounds designed and evaluated through our medicinal chemistry work. The team is now focused on the preparations needed to start clinical trials in late 2021.

Currently there is no approved drug to treat traumatic brain injury, so the Nyrada brain injury program represents disruptive innovation in a market with very large commercial potential. We were pleased to report that preclinical studies from our brain injury program delivered encouraging results. Our drug candidates have been shown to readily cross the blood-brain-barrier and achieve concentrations anticipated to be therapeutic. In a separate study, using extended dose duration, we found that administration via continuous intravenous (the preferred dosing method for moderate-severe traumatic brain injury and stroke patients) also maintained effective therapeutic levels in the brain. The team is now narrowing in on a lead compound to advance towards clinical trials in mid-2022.

On behalf of the Nyrada team, sincere thanks to all investors who have supported us. The year ahead will be very active and busy for Nyrada, with news expected from our two lead programs, our active drug development pipeline, and industry engagement. We look forward to keeping shareholders updated.

James Bonnar

CEO


IPO raising
$8.5 million AUD
Cash Reserves
at 30 June 2020
$5.1 million AUD

Directors' Report

The directors of Nyrada Inc. ("Nyrada" or "the Company") submit herewith the financial report of the Company and its wholly owned subsidiaries ("Group or Consolidated Entity") for the financial year ended 30 June 2020 as follows:

Information about the directors

The names and particulars of the directors of the Group during or since the end of the financial year are:

John Moore
Non-executive Chairman, joined the Board on 4th of June 2019.

John currently serves as Chairman of Trialogics a clinical trial informatics business. John was CEO of Acorn Energy from 2006 to 2015 during which time the CoaLogix business was acquired for $11 million and sold for $101 million and the Comverge business listed in the US before its sale to Constellation Energy. In 2002 he was a partner and CEO of Edson Moore Healthcare Ventures and acquired for $148 million a portfolio of sixteen drug delivery investments from Elan Pharmaceuticals.

John is a director of Scientific Industries (SCND-OTCQX) a producer of laboratory instruments for the life sciences industry. He is a graduate of Rutgers University, US.

Dr Graham Kelly Ph.D
Founder and Non-executive Director, joined the Board in August 2017.

Graham Kelly is a scientist with 50 years' experience in drug development in both academic and biotechnology sectors. Graham is the Founder and Executive Chairman of Noxopharm Limited (ASX:NOX), a major shareholder of Nyrada. Graham has also founded two public, listed drug development companies (Novogen Limited, Marshall Edwards Inc), serving variously as Managing Director and Executive Chairman of those companies. Graham holds a PhD from The University of Sydney, and degrees in Science and Veterinary Science from The University of Sydney.

Peter Marks
Non-executive Director, joined the Board in August 2017

Peter Marks has over 30 years' experience in corporate advisory, investment banking and director/advisory roles to the Board. Peter is currently a Director of Alterity Therapeutics Limited (ASX:ATH and NASDAQ:ATHE), Non-Executive Director of Noxopharm Limited (ASX: NOX) and Non-Executive Director of Elsight Ltd (ASX:ELS). Until 31 March, 2020 he was also a Non-Executive Director of Fluence Corporation Ltd (ASX: FLC). Peter holds an MBA from the University of Edinburgh, Scotland, a Bachelor of Economics, Bachelor of Laws and a Graduate Diploma in Commercial Law from Monash University, Australia.

Christopher Cox
Non-executive Director, joined the Board on 7 November 2019.

Christopher Cox has been a partner at Cadwalader, Wickersham & Taft LLP in New York since January 2012. Previously the Chairman of Cadwalader's Corporate Department and a member of its Management Committee, Chris advises clients on a wide array of corporate and financial matters, including mergers and acquisitions and restructurings, spin-offs, joint ventures, IP monetizations and other complex financing transactions. From February 2016 to March 2019, Chris was seconded to The Medicines Company, a global biopharmaceutical company, where he served as Executive Vice President and Chief Corporate Development Officer and was responsible for business development and strategy. Prior to January 2012, Chris was a partner at Cahill Gordon & Reindel LLP in New York.

Chris also serves as the Chief Executive Officer of Symphony Capital Holdings, LLC, a private investment holding company with interests in biotechnology, network security and entertainment.

Chris received both his undergraduate degree and J.D. from the University of Missouri, where he was also a member of the Missouri Law Review.

Marcus Frampton
Non-executive Director, joined the Board on 4th of June 2019.

Marcus Frampton currently serves as the Chief Investment Officer of the Alaska Permanent Fund Corporation (APFC), the $69 billion sovereign wealth fund for the State of Alaska. Marcus manages the investment team at APFC and leads all investment decisions related to the APFC's investment portfolio within the guidelines established by APFC's Board of Trustees.

Prior to joining the APFC in 2012, Marcus held positions ranging from Investment Banking Analyst & Associate at Lehman Brothers (2002-2005), to private equity investing at PCG Capital Partners (2005-2010), and acted as an executive of a private equity-backed portfolio company at LPL Financial (2010-2012). In addition to his duties at the APFC, Marcus is also a shareholder and sits on the board of directors of Scientific Industries, Inc., a leading manufacturer of laboratory equipment and the owner of intellectual property related to bioprocessing systems. Marcus graduated from UCLA with a Bachelor's degree in Business-Economics and a Minor in Accounting.

Ruediger Weswloh PH.D
Non-executive Director, joined the Board on 4th of June 2019.

Ruediger is a Senior Director of Business Development at Merck KgaA, Darmstadt, Germany, where, in 14 years of doing BD, he has led more than 60 transactions for its pharmaceutical division, doing deals across the drug development value chain in the fields of Oncology, Rheumatology, Neurodegenerative diseases, and Fertility. Before Merck KgaA, Ruediger spent 5 years as a Biotech/Pharma Equity Analyst, at Gontard & Metallbank, Frankfurt, and Sal. Oppenheim, Cologne/Frankfurt, as well as 3 years as a Postdoc at the Max-Planck-Institute for Experimental Medicine in Goettingen. He has a university diploma in Biochemistry from the University of Hannover and a PhD in Molecular Neurobiology, obtained at the Center for Molecular Neurobiology in Hamburg. Ruediger also serves on the Supervisory Board of Cytotools AG, Freiburg, Germany.

With the exception of Christopher Cox the above-named directors held office during the whole of the financial year and since the end of the financial year.

Operating and financial review

Principal activities

The principal activity of the Company during the year was developing therapeutic treatments for cardiovascular, neurological and inflammatory/autoimmune diseases, primarily the development, testing and optimization of novel drug candidates while building on the Company's patent portfolio. There were no significant changes in the nature of the Company's principal activity during the financial year.

Significant changes in state of affairs

On 16 January 2020, the Company successfully listed its CHESS Depositary Interests (CDIs) on the ASX following the issue of 42,500,000 CDIs over shares of Class A common stock (Shares) at an issue price of $0.20 per CDI to raise A$8,500,000 (ratio of CDIs per share of 1:1).

There were no other significant changes in the state of affairs of the Company during the year.

Operating and financial results

The loss of the Group for the year ended 30 June 2020, after accounting for income tax benefit, amounted to $5,773,667 (2019: $4,095,130). The year ended 30 June 2020 operating results are attributed to the following:

- Research and development costs of $1,399,999 (2019: $1,041,201)
- Share based payments in respect of transaction options issued to employees and contractors of $ 2,204,324 (2019: $503,333); and
- Corporate and administration expenses of $571,862 (2019: $148,038)

Review of operations

During the financial year, the Company has:

- Continued to define strategic drug development plans for our cholesterol lowering and brain injury programs.
- Accelerated our medicinal chemistry program through a ramp up of outsourced chemistry resources, spread across two vendors Jubilant Biosys in India and ChemPartner in China. The second vendor approach was adopted to mitigate potential disruption from COVID-19.
- Demonstrated equivalence of our lead cholesterol lowering drug (NYX-PCSK9i) to the two approved monoclonal antibody drugs evolocumab (Repatha, Amgen) and alirocumab (Praluent, Regeneron/Sanofi) in a human lymphocyte cell model.
- Demonstrated in single dose and continuous infusion studies that two lead-like brain injury drug candidates (NYX-242 and NYX-1010) readily cross the blood brain barrier in a healthy animal model and achieve therapeutic levels, without any adverse clinical signs.

Financial position

	30 June 2020	30 June 2019
Cash and cash equivalents	5,146,169	1,102,397
Net assets / total equity	5,526,600	(4,954,466)
Contributed equity	15,607,349	37,003
Accumulated losses	(12,285,073)	(6,511,406)

The directors believe the Group is in a strong and stable financial position to expand and grow its current operations.

Liquidity and capital resources

Nyrada ended the financial year with cash of $5,146,169 and received a Research and Development tax incentive refund of $1,075,414 following 30 June 2020, further boosting capital resources.

Events after the reporting period

On 22 July 2020 the Company received the Research and Development Tax incentive for the period ending 30 June 2019 of $1,075,414.

Future developments, prospects and business strategies

Disclosure of information regarding likely developments in the operations of the Company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Information on future developments, prospects and business strategies have only been referred to in the Chairman's letter and CEO report. For further information on the Company's business strategies and material risks, refer also to the Prospectus which is available on the Company website or ASX Announcements.

Environment issues

The Group's operations are not subject to significant environmental regulation under the Australian Commonwealth or State Law.

Directors' shareholdings

In this section, reference is made to Share ownership. The instruments registered for trade on the Australian Securities Exchange are CHESS Depositary Interests (CDIs). One CDI is equivalent to one Share, being Class A Common Stock. The following table sets out each director's relevant interest in shares, debentures and rights or options in shares or debentures of the Company or a related body corporate as at the date of this report:

Directors	Shares Number	Options Number
John Moore	197,500	3,600,000
Graham Kelly	616,551	18,037,293[1]
Peter Marks	50,000	2,600,000
Marcus Frampton	110,075	1,800,000
Ruediger Weseloh	-	1,800,000
Christopher Cox	800,000	1,800,000

[1] Includes options that vest on achieving specific milestones as outlined on page 12

Company Secretary -David Franks

David is a Chartered Accountant, Fellow of the Financial Services Institute of Australia, Fellow of the Governance Institute of Australia, Justice of the Peace, Registered Tax Agent and holds a Bachelor of Economics (Finance and Accounting) from Macquarie University. With over 25 years in finance and governance (including company secretarial and corporate finance), David has been CFO, company secretary and director for numerous ASX listed and unlisted public and private companies, in a range of industries covering energy retailing, software as a service, transport, financial services, oil and gas / mineral exploration, technology, automotive, software development, wholesale distributions, retail, biotechnology and healthcare. He has acted in these capacities for Top 200 to small-cap companies listed on ASX, including for companies with OTC listings.

David is also the company secretary of Noxopharm. David is also a Non-Executive Director of Jcurve Solutions Limited (ASX:JCS) and a director, principal and shareholder of Automic Group Pty Ltd, a service provider to the Company.

Options Granted

During the financial year, the following options were granted:

No. of options	Grant date	Expiry date	Grant date fair value	Grantee
6,000,000	25/11/2019	30/06/2024	0.1266	Broker Options
2,000,000	25/11/2019	25/11/2022	0.1266	Broker Options
1,725,656	25/11/2019	30/11/2020	0.0609	Convertible Note Options
4,000,000	25/11/2019	16/01/2025	0.1288	Graham Kelly [3,4]
4,000,000	25/11/2019	5 years from vesting date	0.1275	Graham Kelly [3,5]
5,000,000	25/11/2019	5 years from vesting date	0.0128	Graham Kelly [3,6]
5,000,000	25/11/2019	5 years from vesting date	0.0128	Graham Kelly [3,7]
3,600,000	25/11/2019	25/11/2023	0.1125	Director Options [1,2]
3,600,000	25/11/2019	25/11/2024	0.1243	Director Options [1,2]
3,600,000	25/11/2019	25/11/2025	0.1339	Director Options [1]
800,000	25/11/2019	16/01/2023	0.1003	Peter Marks [4]
600,000	25/11/2019	3 years from vesting date	0.1244	CEO [3,8]
300,000	25/11/2019	3 years from vesting date	0.1244	CSO [8]
1,000,000	25/11/2019	15/02/2021	0.0551	SAB Options [3]

[1] *Each tranche of Director Options are held as follows (John Moore 1,200,000, Marcus Frampton 600,000, Christopher Cox 600,000, Ruediger Weseloh 600,000 and Peter Marks 600,000[2]).*

[2] *Refer also to point 3 below in respect of Peter Marks' options granted.*

[3] *On the date when the options were granted, the company identified these as replacement options for cancelled options which were granted during the 2018 financial year. Therefore, in accordance with AASB 2: Share Based Payments the new options are treated as a modification of the original grant of options, whereby the incremental fair value of the new options granted is recognised over the vesting period of the new options. The incremental fair value is the difference between the fair value of the replacement options and the net fair value of the cancelled options, at the date of grant of the replacement options. The increment is recognised in addition to the amount based on the grant date fair value of the original cancelled options, which continue to be recognised over the remainder of the original vesting period.*

[4] *Options vested upon admission of the Company to the ASX.*

[5] *Options vest upon the admission of the Company to the official list of a recognised securities exchange in the United States.*

[6] *Options vest upon the Company achieving a market capitalisation of $500 million*

[7] *Options vest upon the earliest of, the Company achieving a market capitalisation of $1 billion and the Company or any of its related bodies corporate completing a share sale or a business sale with a minimum value of $700 million*

[8] *50% of options vest on IND application in relation to a drug asset and 50% on the earlier of*

- *the treatment of the first patient under a clinical study in relation to a Drug Asset;*
- *the completion of the sale of a Drug Asset, or the total issued share capital of subsidiary of the Company that owns the Drug Asset, to a third party and*
- *the entry by the Company into a licensing agreement, pursuant to which the third party is granted the right to exploit a Drug Asset.*

There has been no alteration of the terms and conditions of the above share-based payment arrangements since the grant date of 25 November 2019.

Unissued Common Stock

Details of unissued Common Stock, interests under option and performance shares as at the date of this report are as follows

Type of Security	Number	Exercise price	Expiry date
Performance shares	18,000,000	N/A[1]	25/11/2024
Unlisted options	6,000,000	0.20	30/06/2024
Unlisted options	2,000,000	0.20	25/11/2022
Unlisted options	1,725,656	0.20	30/11/2020
Unlisted options	4,000,000[4]	0.22	16/01/2025
Unlisted options	4,000,000[4]	TBC[2]	5 years from vesting date
Unlisted options	5,000,000[4]	TBC[2]	5 years from vesting date
Unlisted options	5,000,000[4]	TBC[2]	5 years from vesting date
Unlisted options	3,600,000	0.24	25/11/2023
Unlisted options	3,600,000	TBC[3]	25/11/2024
Unlisted options	3,600,000	TBC[3]	25/11/2025
Unlisted options	800,000[4]	0.24	16/01/2023
Unlisted options	900,000[4]	TBC[3]	3 years from vesting date
Unlisted options	1,000,000	0.26	15/02/2021

1 *Performance shares convert when specified milestones are achieved.*

2 *The exercise price is higher of*
- *100% of the Fair Market Value (as defined in the Company's Stock Incentive Plan) of the Shares on the date that Option is granted; and*
- *amount equal to 110% of the volume weighted average price of the CDIs for the period of 10 trading days immediately prior to the date on which that Option vests.*
- *An exercise price of $0.22 was used for the purpose of the fair value calculation at grant date.*

3 *The exercise price is higher of*
- *100% of the Fair Market Value (as defined in the Company's Stock Incentive Plan) of the Shares on the date that Option is granted; and*
- *amount equal to 120% of the volume weighted average price of the CDIs for the period of 10 trading days immediately prior to the date on which that Option vests.*
- *An exercise price of $0.24 was used for the purpose of the fair value calculation at grant date*

4 *Options vest on achievement of specific milestones.*

The holders of these options and performance shares do not have the right to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

Shares issued on exercise of options

No share options were exercised during the year (2019: nil).

Dividends

No dividends have been paid or declared since the start of the financial year and the directors have not recommended the payment of a dividend in respect of the financial year.

Indemnification of officers

As permitted under Delaware law, Nyrada indemnifies its Directors and certain officers and is permitted to indemnify employees for certain events or occurrences that happen by reason of their relationship with, or position held at, Nyrada. The Company's Certificate of Incorporation and Bylaws provide for the indemnification of its Directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law.

Nyrada has entered into indemnification agreements with its Directors and certain officers to this effect, including advancement of expenses incurred in legal proceedings to which the Director or officer was, or is threatened to be made, a party by reason of the fact that such Director or officer is or was a Director, officer, employee or agent of Nyrada, provided that such a Director or officer acted in good faith and in a matter that the Director or officer reasonably believed to be in, or not opposed to, the Company's best interests. At present, there is no pending litigation or proceedings involving a Director or officer for which indemnification is sought, nor is the Company aware of any threatened litigation that may result in claims for indemnification.

Nyrada maintains insurance policies that indemnify the Company's Directors and officers against various liabilities that might be incurred by any Director or officer in his or her capacity as such. The premium paid has not been disclosed as it is subject to confidentiality provisions under the insurance policy.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Directors' meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 4 board meetings were held.

	Board of Directors		Audit & Risk Committee		Remuneration & Nomination Committee	
Directors	Held	Attended	Held	Attended	Held	Attended
John Moore	4	4	1	1	-	-
Graham Kelly	4	4	-	-	-	-
Marcus Frampton	4	4	1	1	-	-
Peter Marks	4	4	1	1	-	-
Rudiger Weseloh	4	3	-	-	-	-
Christopher Cox*	3	3	-	-	-	-

** Christopher Cox was appointed Non-executive Director on 7 November 2019.*

Proceedings on behalf of the Group

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

Non-audit services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 28 to the financial statements.

In the event non-audit services are provided by the auditor, the Board has established procedures to ensure that the provision of non-audit services is compatible with the general standard of independence for auditors. These include:

- all non-audit services are reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 'Code of Ethics for Professional Accountants' issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Auditor's independence declaration

The auditor's independence declaration is included on page 21 of the financial report.

Presentation Currency

The functional and presentation currency of the Company is Australian Dollars (AUD). The financial report is presented in AUD Dollars with all references to dollars, cents or $'s in these financial statements presented in AUD currency, unless otherwise stated.

Jurisdiction of Incorporation

Nyrada is a company incorporated in the State of Delaware in the United States and registered in Australia as a foreign company. As a foreign company registered in Australia, Nyrada is subject to different reporting and regulatory regimes than Australian public companies.

Corporate Governance Statement

The Company's corporate governance statement is located at the Company's website:

https://www.nyrada.com/site/investors/corporate-governance

Required statements

- Nyrada is not subject to charters 6, 6A and 6C of the Corporations Act dealing with the acquisition of its shares (including substantial holdings and takeovers).
- The Company's securities are not quoted on any exchange other than the ASX.
- From the time of the Company's admission to the ASX until 30 June 2020, the Company has used the cash and assets in a form readily convertible to cash, that it had at the time of admission, in a way that is consistent with its business objectives at that time.
- Under the Delaware General Corporation Law, shares are generally freely transferable subject to restrictions imposed by US federal or state securities laws, by the Company's certificate of incorporation or bylaws, or by an agreement signed with the holders of the shares at issue. The Company's amended and restated certificate of incorporation and by-laws do not impose any specific restrictions on transfer. The Company's CDIs were issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (Securities Act) for offers which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US.

  As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that you are unable to sell the CDIs into the US or to a US person for the foreseeable future except in very limited circumstances after the expiration of a restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a 'FOR US' designation on the Australian Securities Exchange (ASX). This designation restricts any CDIs from being sold on the ASX to US persons. However, you are still able to freely transfer your CDIs on the ASX to any person other than a US person. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

Remuneration report (audited)

Nyrada is a Delaware incorporated company that is listed on the Australian Securities Exchange and as such is subject to remuneration disclosure requirements that are suitable for reporting in both Australia and the United States. This remuneration report forms part of the Directors' Report and has been prepared using the requirements of section 300A of the Australian Corporations Act 2001 (Cth) as a proxy to determine the contents that the Board has chosen to report.

This remuneration, which forms part of the directors' report, sets out information about the remuneration of Nyrada Inc. key management personnel for the financial year ended 30 June 2020. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The prescribed details for each person covered by this report are detailed below under the following headings:

- key management personnel
- remuneration policy
- relationship between the remuneration policy and Group performance
- remuneration of key management personnel
- key terms of employment contracts.

Key management personnel

The directors and other key management personnel of the Group during the financial year were:

Non-executive directors	Position
John Moore	Non-executive Chairman
Graham Kelly	Non-executive Director
Peter Marks	Non-executive Director
Ruediger Weseloh	Non-executive Director
Marcus Frampton	Non-executive Director
Christopher Cox*	Non-executive Director
Executive employees	**Position**
James Bonnar	Chief Executive Officer

**Christopher Cox was appointed on 7 November 2019*

With the exception of Christopher Cox, the named persons held their current position for the whole of the financial year and since the end of the financial year.

Remuneration policy

The Company has a Remuneration and Nomination Committee, which consists of Christopher Cox (Chair of Remuneration Committee), Graham Kelly and John Moore. The remuneration policy, which is set out below, is designed to promote superior performance and long-term commitment to the Company. An overview of the Remuneration & Nomination Committee is outlined below.

The Remuneration & Nomination Committee establishes, amends, reviews and approves the compensation and equity incentive plans with respect to senior management and employees of the Company, including determining individual elements of total compensation of the Chief Executive Officer and other members of senior management. The Remuneration & Nomination Committee is also responsible for reviewing the performance of the Company's executive officers with respect to these elements of compensation. It recommends the Director nominees for each annual general meeting and ensures that the Audit & Risk Committee and Remuneration & Nomination Committee have the benefit of qualified and experienced directors.

Non-executive director remuneration

Under the Company's Bylaws, the Directors decide the total amount paid to each non-executive Director for their services. However, under the ASX Listing Rules, the total amount paid to all non-executive Directors must not exceed in any financial year the amount fixed in a general meeting of the Company. This amount is capped under the Bylaws at US$500,000 per annum. Any increase to the aggregate amount needs to be approved by CDI Holders. The Directors will seek CDI Holder approval from time to time as appropriate. The aggregate annual sum does not include any special remuneration which the Board may grant to the Directors for special exertions or additional services performed by a Director for or at the request of the Company, which may be made in addition to or in substitution for the Director's fees.

The directors set the individual non-executive director fees within the overall limit approved by CDI Holders. Non-executive directors are not provided with retirement benefits.

Executive director remuneration

Executive directors receive a base remuneration which is at market rates, and may be entitled to performance based remuneration, which is determined on an annual basis. Overall remuneration policies are subject to the discretion of the board and can be changed to reflect competitive and business conditions where it is in the interests of the Group and shareholders to do so. Executive remuneration and other terms of employment are reviewed annually by the board having regard to the performance, relevant comparative information and expert advice.

The board's remuneration policy reflects its obligation to align executive remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Group. The main principles are:

(a) remuneration reflects the competitive market in which the Group operates;

(b) individual remuneration should be linked to performance criteria if appropriate; and

(c) executives should be rewarded for both financial and non-financial performance.

The total remuneration of executives consists of the following:

(a) salary – executives receive a fixed sum payable monthly in cash plus superannuation at 9.5% of salary;

(b) cash at risk component – executives may participate in share and option schemes generally made in accordance with thresholds set in plans approved by shareholders if deemed appropriate. However, the board considers it appropriate to issue shares and options to executives outside of approved schemes in exceptional circumstances;

(c) other benefits – executives may, if deemed appropriate by the board, be provided with a fully expensed mobile phone and other forms of remuneration; and

(d) performance bonus.

The board has not formally engaged the services of a remuneration consultant to provide recommendations when setting the remuneration received by directors or other key management personnel during the financial year.

Relationship between the remuneration policy and Group performance

The board considers that at this time, evaluation of the Group's financial performance using generally accepted measures such as profitability, total shareholder return or benchmarking are not relevant as the Group is in the pre-clinical phase of drug development.

Remuneration of key management personnel

	Short-term employee benefits			Post-employment benefits	Share-based payment	
	Salary & fees	Bonus[2]	Other[1]	Superannuation	Options[3]	Total
2020	**$**	**$**	**$**	**$**	**$**	**$**
Non-executive directors						
John Moore	63,340	-	-	-	157,168	220,508
Graham Kelly[1]	266,628	-	-	21,937	250,215	538,780
Peter Marks	51,220	-	-	-	138,719	189,939
Marcus Frampton	24,519	-	-	-	78,584	103,103
Ruediger Weseloh	20,432	-	-	-	78,584	99,016
Christopher Cox[2]	24,519	-	-	-	78,584	103,103
Executive employees						
James Bonnar (CEO)	275,000	-	-	26,125	1,213	302,338
Total	**725,658**	**-**	**-**	**48,062**	**783,067**	**1,556,787**

1 *Dr Graham Kelly was as an employee for the period 1 July 2019 to 18 November 2019. On November 18, 2019 Dr Kelly entered into a Consulting Agreement to provide strategic and advisory consulting services for the Company. The Consulting Agreement ceased on 31 March 2020 when Dr Kelly transitioned to a Non-Executive Director.*
2 *Christopher Cox was appointed as Director on 7 November 2019.*
3 *The value included in the share-based payment options column is based on valuation when applying the Black and Scholes option valuation methodology. As at the date of this report no options have been exercised and this amount does not represent a cash benefit to the key management personnel. Details of options and inputs in the valuation of options are included in notes 11(b) and 22 of the financial statements.*

	Short-term employee benefits			Post-employment benefits	Share-based payment	
	Salary & fees	Bonus[2]	Other[1]	Superannuation	Options[3]	Total
2019	**$**	**$**	**$**	**$**	**$**	**$**
Non-executive directors						
John Moore[1]	-	-	-	-	-	-
Graham Kelly	278,453	-	-	26,453	303,056	607,962
Peter Marks	55,583	-	-	-	32,712	88,295
Marcus Frampton[1]	-	-	-	-	-	-
Ruediger Weseloh[1]	-	-	-	-	-	-
Josiah Austin[2]	13,842	-	-	-	-	13,842
Executive employees						
James Bonnar (CEO)	250,000	-	-	23,750	32,230	305,980
Total	**597,879**	**-**	**-**	**50,203**	**367,997**	**1,016,079**

1 *John Moore, Marcus Frampton and Ruediger Weseloh were appointed as Directors of the Company on 4 June 2019.*
2 *Josiah Austin resigned as a Director on 18 October 2018.*
3 *The value included in the share-based payment options column is based on valuation when applying the Black and Scholes option valuation methodology. As at the date of this report no options have been exercised and this amount does not represent a cash benefit to the key management personnel. Details of options and inputs in the valuation of options are included in notes 11(b) and 22 of the financial statements.*

Other transactions with key management personnel and their related parties

Prue Kelly, spouse of Graham Kelly (Non-Executive Director) is employed as the Company's part time Executive Assistant and Investor Relations Manager on the Company's employment terms and conditions. Refer to Note 25(b) to the financial statements for further details.

Key terms of employment contracts

James Bonnar

The Company has entered into an executive services agreement James Bonnar (Bonnar) (ESA).

Under the ESA, Bonnar is employed by the Company to provide services to the Company as Chief Executive Officer on a full-time basis. The Company will remunerate Bonnar for his services with a base remuneration of $301,125 per annum, inclusive of superannuation and subject to annual review by the Company.

The ESA may be terminated by either the Company or Bonnar for any reason on 6 months' written notice, in which case the Company can elect for Bonnar to serve out all or part of that notice period and/or to pay Bonnar an amount in lieu of continuing his employment during all or part of that notice period.

The ESA may also be terminated by the Company summarily at any time if Bonnar breaches a material term of the ESA or engages in any act or omission constituting serious misconduct, in which case the Company need not make any payment to Bonnar other than accrued entitlements.

Any discoveries and inventions made or discovered by Bonnar during the term of the ESA which relate to the Company's business must be disclosed to the Company and will remain the sole property of the Company.

James Bonnar is also subject to restrictions in relation to:

- the use of confidential information during and after his employment with the Company; and
- being directly or indirectly involved in a competing business during and after his employment with the Company,

on terms which are considered standard for agreements of this nature.

Otherwise, the ESA is on terms considered standard for agreements of this nature.

Non-executive Directors

The Company has entered into a director services agreement with each non-executive Director. The Directors' fees currently agreed to be payable by the Company under the director services agreements are set out below:

Name	Annual Non-Executive Director's Fees
John Moore	US$67,500
Graham Kelly	US$25,000
Peter Marks	US$25,000
Ruediger Weseloh	US$25,000
Marcus Frampton	US$25,000
Christopher Cox	US$25,000

Further, if a Director is a member of Audit & Risk Committee and/or the Remuneration & Nomination Committee, the Company has agreed to pay that Director an additional US$5,000 per annum for each committee in respect of which that Director is a member. All Directors' fees are exclusive of any superannuation that is required by law to be made by the Company.

On appointment to the board, all non-executive directors are required to sign a letter of appointment with the Company. The letter of appointment summarises the Board policies and terms, including compensation relevant to the office or director.

Key management personnel equity holdings

Shares of Nyrada Inc.

2020	Balance at 1 July No.	Granted as compens-ation No.	Received on exercise of options/ performance shares No.	Net other change No.	Balance on Resignation No.	Balance at 30 June No.
Non-Executive directors						
John Moore	-	-	-	197,500	-	197,500
Graham Kelly	-	-	-	616,551	-	616,551
Peter Marks	-	-	-	50,000	-	50,000
Marcus Frampton	-	-	-	110,075	-	110,075
Ruediger Weseloh	-	-	-	-	-	-
Christopher Cox[1]	-	-	-	800,000	-	800,000
Executive Employees						
James Bonnar	-	-	-	65,000	-	65,000

1 *Christopher Cox was appointed as Director on 7 November 2019.*

2019	Balance at 1 July No.	Granted as compens-ation No.	Received on exercise of options/ performance shares No.	Net other change No.	Balance on Resignation No.	Balance at 30 June No.
Non-Executive directors						
John Moore[1]	-	-	-	-	-	-
Graham Kelly	-	-	-	-	-	-
Peter Marks	-	-	-	-	-	-
Marcus Frampton[1]	-	-	-	-	-	-
Ruediger Weseloh[1]	-	-	-	-	-	-
Josiah Austin[2]	-	-	-	-	-	-
Executive Employees						
James Bonnar	-	-	-	-	-	-

1 *John Moore, Marcus Frampton and Ruediger Weseloh were appointed as Directors of the Company on 4 June 2019.*

2 *Josiah Austin resigned as a Director on 18 October 2018.*

Options of Nyrada Inc.

2020	Balance at 1 July	Granted as compens-ation	Granted as C-note	Exercised / Cancelled	Balance at 30 June	Balance vested at 30 June	Options vested during year
	No.	No.	No.	No.	No.	No.	No.
Non-Executive directors							
John Moore	-	3,600,000	-	-	3,600,000	-	-
Graham Kelly	440,000	18,000,000	37,293	(440,000)	18,037,293	4,000,000	4,000,000
Peter Marks	22,000	2,600,000	-	(22,000)	2,600,000	800,000	800,000
Marcus Frampton	-	1,800,000	-	-	1,800,000	-	-
Ruediger Weseloh	-	1,800,000	-	-	1,800,000	-	-
Christopher Cox	-	1,800,000	-	-	1,800,000	-	-
Executive Employees							
James Bonnar	22,000	600,000	-	(22,000)	600,000	-	-

	Balance at 1 July	Granted as compens-ation	Exercised/ Lapsed	Balance at 30 June	Balance vested at 30 June	Options vested during year
2019	No.	No.	No.	No.	No.	No.
Non-Executive directors						
John Moore[1]	-	-	-	-	-	-
Graham Kelly	440,000	-	-	440,000	-	-
Peter Marks	22,000	-	-	22,000	11,000	-
Marcus Frampton[1]	-	-	-	-	-	-
Ruediger Weseloh[1]	-	-	-	-	-	-
Josiah Austin[2]	22,000	-	(22,000)	-	-	-
Executive Employees						
James Bonnar	22,000	-	-	22,000	-	-

1 *John Moore, Marcus Frampton and Ruediger Weseloh were appointed as Directors of the Company on 4 June 2019.*

2 *Josiah Austin resigned as a Director on 18 October 2018.*

End of Remuneration Report.

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution made by the Directors of the Company.

On behalf of the directors

John Moore
Non-executive Chairman
Sydney, 7 September 2020

To the Board of Directors of Nyrada Inc

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead audit director for the audit of the financial statements of Nyrada Inc. and its controlled entities for the financial year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Yours faithfully

Nexia

Nexia Sydney Audit Pty Ltd

Stephen Fisher
Director

Date: 7 September 2020

Nexia Sydney Audit Pty Ltd
Level 16, 1 Market Street
Sydney NSW 2000
PO Box H195
Australia Square NSW 1215
p +61 2 9251 4600
f +61 2 9251 7138
e info@nexiasydney.com.au
w nexia.com.au

Independent Auditor's Report to the Members of Nyrada Inc

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Nyrada Inc (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; 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 & 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.

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.

Key audit matter	How our audit addressed the key audit matter
Share-based payments *Refer to notes 1 (Employee Benefits), 2 (Share-based payment transactions), 12 and 22* Nyrada is an early stage pharmaceutical research company. It pays its employees,	Our procedures included, amongst others: • Verifying the key terms of equity settled share based payments in respect of the award of performance shares and options over common shares for rendering of services by directors, employees and contractors to the underlying Board approved award documents.

Nexia Sydney Audit Pty Ltd
Level 16, 1 Market Street
Sydney NSW 2000
PO Box H195
Australia Square NSW 1215
p +61 2 9251 4600
f +61 2 9251 7138
e info@nexiasydney.com.au
w nexia.com.au

Key audit matter	How our audit addressed the key audit matter
directors and some contractors substantially through performance shares and options over shares to conserve cash and to provide them with long-term incentives. This is a key audit matter as the valuation of share-based payments is complex and subject to significant management estimates and judgement.	• Assessing the fair value calculation of options granted by checking the accuracy of the inputs to the Black Scholes option pricing model adopted for that purpose. • Reviewing the independent valuer's fair value calculation of performance shares awarded for reasonableness of assumptions made and accuracy of model inputs used by the valuation expert, as well as scrutinising the credentials of the expert. • Testing the accuracy of the share-based payments amortisation over the vesting periods and recording of expense in the profit or loss statement and increment to share based payment reserve. • Checking the accuracy of disclosure of share based payments arrangements in the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in Nyrada Inc's annual report for the year ended 30 June 2020, 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 the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

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

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

Auditor's responsibility 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 Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_files/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 20 of the directors' Report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Nyrada Inc for the year ended 30 June 2020, 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.

Nexia

Nexia Sydney Audit Pty Ltd

Stephen Fisher
Director

Dated: 7 September 2020

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2020

		Consolidated	
		2020	2019
	Notes	$	$
Revenue			
Other income	3	50,000	19,359
R&D grant revenue		1,075,414	486,338
Total Revenue		**1,125,414**	**505,697**
Expenses			
Employee benefits expense		(1,342,993)	(1,398,142)
Depreciation and amortisation expense		(1,484)	(1,406)
Administration expenses		(571,862)	(148,038)
Professional services expenses		(1,005,316)	(753,193)
Travelling expenses		(13,361)	(57,397)
Research and development costs		(1,399,999)	(1,041,201)
Share based payments		(2,204,324)	(503,333)
Other expenses		(219,387)	(47,218)
Finance costs		(140,355)	(650,899)
Loss before income tax expense		**(5,773,667)**	**(4,095,130)**
Income tax expense	15		-
Loss after income tax expense for the year attributable to owners of Nyrada Inc		**(5,773,667)**	**(4,095,130)**
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year attributable to the owners of Nyrada Inc.		**(5,773,667)**	**(4,095,130)**
Loss per share:			
Basic and diluted	23	(0.09)	(0.14)

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

Consolidated Statement of Financial Position

As at 30 June 2020

	Notes	Consolidated 2020 $	Consolidated 2019 $
Assets			
Current assets			
Cash and cash equivalents	4	5,146,169	1,102,397
Trade, other receivables and prepayments	5	1,078,845	6
Total current assets		**6,225,014**	**1,102,403**
Non-current assets			
Property, plant and equipment	6	5,254	3,740
Intangibles	7	37,000	37,000
Total non-current assets		**42,254**	**40,740**
Total assets		**6,267,268**	**1,143,143**
Liabilities			
Current liabilities			
Trade and other payables	8	696,883	2,124,165
Convertible Notes	9	-	3,930,351
Employee benefits	10	43,785	43,093
Total current liabilities		**740,668**	**6,067,609**
Total liabilities		**740,668**	**6,067,609**
Net assets		**5,526,600**	**(4,954,466)**
Equity			
Issued capital	11	15,607,349	37,003
Reserves	12	2,204,324	1,519,937
Accumulated losses	13	(12,285,073)	(6,511,406)
Total Equity		**5,526,600**	**(4,954,466)**

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

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2020

				Consolidated
	Issued capital	Reserves	Accumulated losses	Total deficiency in equity
	$	$	$	$
Balance at 1 July 2018	**37,003**	**1,016,604**	**(2,416,276)**	**(1,362,669)**
Loss for the year	-	-	(4,095,130)	(4,095,130)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**(4,095,130)**	**(4,035,130)**
Share based payments	-	503,333	-	503,333
Balance at 30 June 2019	**37,003**	**1,519,937**	**(6,511,406)**	**(4,954,466)**
Balance at 1 July 2019	**37,003**	**1,519,937**	**(6,511,406)**	**(4,954,466)**
Loss for the year	-	-	(5,773,667)	(5,773,667)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**(5,773,667)**	**(5,773,667)**
Issue of Common Stock	11,400,000	-	-	11,400,000
Conversion of convertible note to Common Stock	4,317,750	(762,045)	-	3,555,705
Share issue costs	(905,296)	-	-	(905,296)
Recognition of share based payments	-	2,204,324	-	2,204,324
Transfer vested options reserve	757,892	(757,892)	-	-
Total Transactions with the owner and other transfers	**15,570,346**	**684,387**	**-**	**16,254,733**
Balance at 30 June 2020	**15,607,349**	**2,204,324**	**(12,285,073)**	**5,526,600**

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

Consolidated Statement of Cash Flows

For the year ended 30 June 2020

		Consolidated	
		2020	2019
	Notes	$	$
Cash flows from operating activities			
Payments to suppliers (inclusive of GST)		(4,460,623)	(2,511,056)
Interest received		-	19,359
R&D Grant Received		-	486,338
Cash receipts from other operating activities		50,000	-
Net cash used in operating activities	21	(4,410,623)	(2,005,359)
Cash flows from investing activities			
Payments for property, plant and equipment		(2,999)	(411)
Net cash used in investing activities		(2,999)	(411)
Cash flows from financing activities			
Proceeds from related party loans		1,204,378	-
Proceeds from issue of Common Stock		8,700,000	-
Payments to convertible note holders		(515,000)	-
Transactions costs relating to issue of Common Stock		(905,296)	-
Transactions costs relating to issue of convertible notes		-	-
Net cash provided by financing activities		8,484,082	-
Net (decrease)/increase in cash and cash equivalents		**4,070,460**	**(2,005,800)**
Cash and cash equivalents at the beginning of the year		1,102,397	3,108,197
Effects of exchange rate changes on cash and cash equivalents		(26,688)	-
Cash and cash equivalents at the end of the financial year	**21**	**5,146,169**	**1,102,397**

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

Notes to the Financial Statements

1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 16 Leases

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

There has been no impact on the financial performance and position of the consolidated entity from the adoption of this Accounting Standard.

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and Interpretations, issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The financial report is presented in Australian Dollars. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

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 to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 18.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Nyrada Inc ('company' or 'parent entity') as at 30 June 2020 and the results of all subsidiaries for the year then ended. Nyrada Inc and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. 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 consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Government Grants

Government Grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they intend to compensate. Grants that compensate the Consolidated Entity for expenditure capitalised are recognised as a reduction in the carrying value of the asset and grants that compensate the Consolidated Entity for expenditure recognised in profit or loss are recognised as government grant income.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

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.

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 allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Plant and equipment: 3-7 years

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Research and development expenditure

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, 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. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the consolidated entity's best estimate of the number of equity instruments that will ultimately vest. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted.

The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Common Stock are classified as equity.

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

Goods and Services Tax ('GST') and other similar taxes

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

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

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

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2020. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the consolidated entity has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the consolidated entity may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the consolidated entity's financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

There is no significant impact of the new standards on the consolidated entity expected from the adoption of this standard.

2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black- Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

3. Other Income

		Consolidated
	2020	2019
	$	$
Interest Received	-	19,359
Other income	50,000	-
	50,000	19,359

4. Current assets – cash and cash equivalents

		Consolidated
	2020	2019
	$	$
Cash at bank	5,146,169	1,102,397

5. Current assets – trade, other receivables and prepayments

		Consolidated
	2020	2019
	$	$
R&D Grant Receivable	1,075,414	-
Other receivables	-	6
Prepayments	3,431	-
	1,078,845	6

6. Plant and Equipment

	Consolidated	
	2020	2019
	$	$
Plant and Equipment	7,822	4,823
Less accumulated depreciation	(2,568)	(1,083)
Total plant and equipment	**5,254**	**3,740**
Movements in carrying amounts		
Movements in the carrying amounts for each class of:		
a) Plant and Equipment		
Balance at beginning of year	3,740	4,704
Additions	2,998	3,399
Disposals	-	(1,971)
Loss on sale	-	(986)
Depreciation expense	(1,484)	(1,406)
Balance at end of year	**5,254**	**3,740**

7. Non-current assets – intangibles

	Consolidated	
	2020	2019
	$	$
Intellectual Property	37,000	37,000

Intangibles relate to the fair value of the costs incurred for the intellectual property related to patent application PCSK9 recognised on the acquisition of Cardio Therapeutics Pty Ltd on 20 November 2017.

8. Current liabilities – trade and other payables

	Consolidated	
	2020	2019
	$	$
Trade payables	209,639	152,283
Amount owing to related party	342,322	1,839,802
Accrued expenses	138,534	-
Other payables	6,388	132,080
	696,883	**2,141,165**

9. Current liabilities – convertible notes

	Consolidated	
	2020	**2019**
	$	**$**
Convertible notes payable	-	3,930,351

	Consolidated	
	2020	**2019**
	$	**$**
Opening balance	3,930,351	3,279,452
Interest for the period	59,750	650,899
Repayment of redeemed convertible notes to noteholders	(515,000)	-
Reclassification to equity, issuance of shares	(3,475,101)	-
	-	**3,930,351**

In October 2019, the Company redeemed Convertible Notes with a face value of $515,000.

Under the terms of the Convertible Notes, as the Company was admitted to the Official List prior to 31 January 2020 the outstanding principal under the Convertible Notes automatically converted into 17,778,528 Shares.

An additional 3,810,224 shares were issued by conversion of the Other Reserve relating to the deemed fair value of the equity conversion of the convertible notes issued by Nyrada in February 2018.

10. Current Liabilities – employee benefits

	Consolidated	
	2020	**2019**
	$	**$**
Annual Leave	43,785	43,093

11. Equity – issued capital

			Consolidated	
	2020	2019	2020	2019
	Shares	Shares	$	$
Common Stock	109,383,722	10,000	15,607,349	37,003

a) Common Stock

			Consolidated	
	2020	2019	2020	2019
	Shares	Shares	$	$
At the beginning of reporting period	10,000	10,000	37,003	37,003
Issued on exercise of options	-	-	-	-
Adjustment as a result of stock splits	29,784,970	-	-	-
Transfer from Option Reserve	-	-	757,892	-
Issuance of Common Stock upon conversion of the Convertible Notes	21,588,752	-	4,317,750	-
Issuance of Common Stock upon conversion of Noxopharm Loan	13,500,000	-	2,700,000	-
Issue of Common Stock	44,500,000	-	8,700,000	-
Less: Share placement costs	-	-	(905,296)	-
At the end of the reporting period	**109,383,722**	**10,000**	**15,607,349**	**37,003**

b) Options and warrants on issue

The following share-based payment arrangements were in existence at the end of the current reporting period:

No. of options.	Grant date	Expiry date	Grant date fair value	Vesting date/ Expected Vesting Date	Exercise Price
6,000,000	25/11/2019	30/06/2024	0.1268	25/11/2019	0.20
2,000,000	25/11/2019	25/11/2022	0.1268	25/11/2019	0.20
1,725,656	25/11/2019	30/11/2020	0.0609	16/01/2020	0.20
4,000,000	25/11/2019	16/01/2025	0.1288	16/01/2020	0.22
4,000,000[4]	25/11/2019	5 years from vesting date	0.1275	25/11/2022[3]	TBC[1]
5,000,000[5]	25/11/2019	5 years from vesting date	0.0128	25/11/2024[3]	TBC[1]
5,000,000[6]	25/11/2019	5 years from vesting date	0.0128	25/11/2026[3]	TBC[1]
3,600,000	25/11/2019	25/11/2023	0.1125	25/11/2020	0.24
3,600,000	25/11/2019	25/11/2024	0.1243	25/11/2021	TBC[2]
3,600,000	25/11/2019	25/11/2025	0.1339	25/11/2022	TBC[2]
800,000	25/11/2019	16/01/2023	0.1003	16/01/2020	0.24
900,000[7]	25/11/2019	3 years from vesting date	0.1242	25/11/2024[3]	TBC[2]
1,000,000	25/11/2019	15/02/2021	0.0551	31/12/2019	0.26

1 *The exercise price is higher of*
- *100% of the Fair Market Value (as defined in the Company's Stock Incentive Plan) of the Shares on the date that Option is granted; and*
- *amount equal to 110% of the volume weighted average price of the CDIs for the period of 10 trading days immediately prior to the date on which that Option vests.*
- *An exercise price of $0.22 was used for the purpose of the fair value calculation at grant date.*

2 *The exercise price is higher of*
- *- 100% of the Fair Market Value (as defined in the Company's Stock Incentive Plan) of the Shares on the date that Option is granted; and*
- *- amount equal to 120% of the volume weighted average price of the CDIs for the period of 10 trading days immediately prior to the date on which that Option vests.*
- *- An exercise price of $0.24 was used for the purpose of the fair value calculation at grant date.*

3 *Management estimate of expected vesting date. This is revisited on an annual basis.*

4 *Options vest upon the admission of the Company to the official list of a recognised securities exchange in the United States.*

5 *Options vest upon the Company achieving a market capitalisation of $500 million*

6 *Options vest upon the earliest of, the Company achieving a market capitalisation of $1 billion and the Company or any of its related bodies corporate completing a share sale or a business sale with a minimum value of $700 million.*

7 *50% of options vest on IND application in relation to a drug asset and 50% on the earlier of*
- *the treatment of the first patient under a clinical study in relation to a Drug Asset;*
- *the completion of the sale of a Drug Asset, or the total issued share capital of subsidiary of the Company that owns the Drug Asset, to a third party; and*
- *the entry by the Company into a licensing agreement, pursuant to which the third party is granted the right to exploit a Drug Asset.*

As at 30 June, the known range of exercise price of options is between $0.20 and $0.26 and of nil for performance common stock (refer note c). The weighted average remaining contractual life of options and performance common stock is 1,518 days.

c) Performance Common Stock

The Company has issued the following Performance Common Stock in the Company (Performance Shares):

	Consolidated	
	2020	2019
	No	No
At the beginning of reporting period	-	-
Issued to Noxopharm Limited	12,000,600	-
Issued to Altnia Holdings Pty Ltd	5,999,400	-
At the end of the reporting period	**18,000,000**	**-**

The Performance Shares shall be convertible into 18,000,000 Shares upon the achievement of the milestones referred to below on or before 25 November 2024. The fair value of each Performance Share at grant date is $0.08:

Holder	Performance shares	Performance milestones
Noxopharm Limited	6,000,300	The later to occur of: • the trading price for the Company's CDIs achieving at least AU$0.40 for 5 consecutive trading days on the ASX; and • the Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead neuroprotectant drug candidate is ready to proceed to pre-clinical safety and toxicology studies.
	6,000,300	The later to occur of: • the trading price for the Company's CDIs achieving at least AU$0.40 for 5 consecutive trading days on the ASX; and • the Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead peripheral neuropathic pain drug candidate is ready to proceed to pre-clinical safety and toxicology studies.
Altnia Holdings Pty Ltd	5,999,400	The later to occur of: • the trading price for the Company's CDIs achieving at least AU$0.40 for 5 consecutive trading days on the ASX; and • the Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead PCSK9 inhibiter drug candidate is ready to proceed to pre-clinical safety and toxicology studies.
Total	**18,000,000**	

If the relevant performance milestones are not achieved on or before 25 November 2024, the Performance Shares held by each holder will be automatically redeemed by the Company for the sum of AU$1.00.

Each Performance Share shall be convertible into one (1) fully paid and non-assessable Share upon the terms and conditions set forth herein. The Company will at all times reserve and keep available, solely for the purpose of issue upon conversion of the outstanding Performance Shares, such number of Shares as shall be issuable upon the conversion of all such outstanding shares; provided, that nothing contained herein shall be construed to preclude the Company from satisfying its obligations in respect of the conversion of the outstanding Performance Shares by delivery of Shares which are held in the treasury of the Company.

The Company covenants that if any shares, required to be reserved for purposes of conversion hereunder, require registration with or approval of any governmental authority under any federal or state law before such shares may be issued upon conversion, the Company will use its best efforts to cause such shares to be duly registered or approved, as the case may be. The Company will endeavour to list the shares required to be delivered upon conversion prior to such delivery upon each national securities exchange, if any, upon which the outstanding shares are listed at the time of such delivery. The Company covenants that all Shares which shall be issued upon conversion of the Performance shares will, upon issue, be fully paid and non-assessable and not entitled to any pre-emptive rights.

Fifty Percent (50%) of the Nox Performance Common Stock will automatically convert into Shares upon 10 Business Days after the First Milestone and the Second Nox Milestone are both satisfied, such that each such share of Nox Performance Common Stock will convert into one Share.

Fifty Percent (50%) of the Nox Performance Common Stock will automatically convert into Shares upon 10 Business Days after the First Milestone and the Third Nox Milestone are both satisfied, such that each such share of Nox Performance Common Stock will convert into one Share.

The Altnia Performance Common Stock will automatically convert into Shares upon 10 Business Days after the First Milestone and the Second Altnia Milestone are both satisfied, such that each such share of Altnia Performance Common Stock will convert into one Share.

Upon the occurrence of a Change of Control:

- that number of Performance Shares that, after conversion, is no more than 10% of the issued and outstanding capital stock of the Company (as at the date of the Change of Control) may by the Holder be converted into Shares;
- the Company shall ensure a pro-rata allocation of shares of Shares issued under this paragraph to all Holders; and
- any Performance Shares that are not converted into Shares in accordance with this Section will continue to be held by the Holder on the same terms and conditions.

Procedures for Conversion.

The Company will issue the Holders with a new holding statement for the Shares within 2 Business Days following the conversion of the Performance Shares into Shares.

Restrictions on Transfer.

The Performance Shares shall be issued only to, and shall be held only by those persons designated by the Board. Any purported sale, transfer, pledge or other disposition of any Performance Shares to any person, other than a successor to such designated person by merger or reorganisation of the designated person, or a duly authorised agent acting for the benefit of such designated person, shall be null and void and of no force and effect.

No Dividends or Distributions.

Holders shall not be entitled to share in any dividends or other distributions of cash, property or shares of the Company, whether in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company or otherwise.

No Pre-emptive Rights.

No Holder shall be entitled as of right to purchase or subscribe for any part of any unissued or treasury stock of the Company, or of any additional stock of any class, to be issued by reason of any increase of the authorized capital stock of the Company, or to be issued from any unissued or additionally authorized stock, or of bonds, certificates of indebtedness, debentures or other securities convertible into stock of the Company, but any such unissued or treasury stock, or any such additional authorized issue of new stock or securities convertible into stock, may be issued and disposed of by the Board to such persons, firms, corporations or associations, and upon such terms as the Board may, in its discretion, determine, without offering to the Holders then of record, on the same terms or any terms.

Reorganisation.

If and for the period that the Company is admitted to the official list of ASX:

- If there shall occur a reorganisation, recapitalisation, reclassification, consolidation or merger involving the Company (Reorganisation), then the rights of the Holder (including the number of Shares into which a Performance Share may be converted) will be changed to the extent necessary to comply with the listing rules of ASX applying to a reorganisation of capital stock at the time of the Reorganisation.

- Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Holder.
- The Company must, within a reasonable period, give to the Holder notice of any change to the number of Shares into which a Performance Share held by the Holder may be converted.

Redemption.

If the Performance Shares have not been converted into Shares within five (5) years after the date of issue of the Performance Shares, then the Performance Shares held by a Holder at that date will be automatically redeemed by the Company for the sum of AUD1.00 within ten (10) Business Days of the expiration of that five (5) year period.

12. Equity – reserves

		Consolidated
	2020	**2019**
	$	**$**
Share based payments reserve	2,204,324	757,892
Other reserves	-	762,045
	2,204,324	**1,519,937**

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services including Performance Shares and Convertible Notes options.

		Consolidated
	2020	**2019**
	$	**$**
Opening Balance	757,892	254,559
Transfer of share options reserve to Issued Capital	(757,892)	-
Share based payment expense	2,204,324	503,333
	2,204,324	**757,892**

Other reserves

The other reserve relates to the deemed fair value of the equity conversion of the convertible notes issued by Nyrada in February 2018.

		Consolidated
	2020	**2019**
	$	**$**
Opening Balance	762,045	762,045
Transfer from Other Reserve upon conversion of Convertible Notes to Common Stock	(762,045)	-
	-	**762,045**

13. Equity – accumulated losses

	Consolidated	
	2020	2019
	$	$
Accumulated losses at the beginning of period	(6,511,406)	(2,416,276)
Loss after income tax expense for the year	(5,773,667)	(4,095,130)
Accumulated losses at the end of the financial year	**(12,285,073)**	**(6,511,406)**

14. Equity - dividends

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

15. Tax expense

a) Tax expense

	Consolidated	
	2020	2019
	$	$
Current Tax	-	-
Deferred Tax	-	-
Income Tax expense	**-**	

b) Tax reconciliation

	Consolidated	
	2020	2019
	$	$
Profit/ loss before tax expense	(5,773,667)	(4,095,130)
Prima facie tax payable at 27.5%	(1,587,758)	(1,126,143)
Non-deductable expenses	349,227	186,678
Tax effect of equity raising costs debited to equity	(49,791)	-
Tax effect of tax losses and temporary differences not recognised	1,288,322	939,465
Benefits of tax losses not brought into account	**-**	**-**

The Company has revenue losses of approximately $5,769,875 for which no deferred tax asset has been recognised.

The Company has no franking credits currently available for future offset.

16. Going concern

For the period ended 30 June 2020 the consolidated entity incurred a loss after tax of $5,773,667 and incurred a net cash outflow from operating activities of $4,410,623. As at 30 June 2020, the consolidated entity had net assets of $5,526,600.

The directors are satisfied that at the date of signing of the financial report, there are reasonable grounds to believe that the company will be able to meet its debts as and when they fall due and that it is appropriate for the financial report to be prepared on a going concern basis.

17. Segment information

From the period beginning 1 July 2019 the Board considers that the Company has only operated in one Segment. The financial information presented in the statement of financial performance and statement of financial position represents the information for the business segment.

18. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

		Parent
	2020	2019
	$	$
Loss after income tax	(10,335,230)	(1,359,781)
Total comprehensive loss	**(10,335,230)**	**(1,359,781)**

Statement of financial position

		Parent
	2020	2019
	$	$
Assets		
Current assets	5,046,116	3,500,452
Non-current assets (impairment to net worth of Nyrada Pty Ltd)	570,269	-
Total assets	**5,616,384**	**3,537,452**
Liabilities		
Current liabilities	-	3,930,351
Non-current liabilities	126,781	
Total liabilities	126,781	3,930,351
Net assets	**5,489,604**	**(392,889)**
Equity		
Issued capital	15,607,349	37,003
Reserves	2,204,324	1,519,937
Accumulated losses	(12,322,065)	(1,949,839)
Total equity/ (deficiency)	**5,489,604**	**(392,899)**

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2020.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2020

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2020.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

19. Subsidiaries

	2020	2019
Nyrada Pty Ltd*	100%	100%
Norbio No. 2 Pty Ltd	100%	100%
Cardio Therapeutics Pty Ltd	100%	100%

**On 13 March 2020 the company changed its name from Norbio No1 Pty Ltd to Nyrada Pty Ltd.*

20. Events after reporting period

On 22 July 2020 the Company received the Research and Development Tax incentive for the period ending 30 June 2019 of $1,075,414.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

21. Cash Flow information

a) Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2020	2019
	$	$
Loss after income tax expense for the year	(5,773,667)	(4,095,130)
Adjustments for:		
Depreciation and amortisation	1,484	1,406
Share-based payments	2,204,324	503,333
Unwinding of the interest on convertible notes	140,355	650,899
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(1,078,839)	20,366
Increase/(decrease) in trade and other payables	68,340	901,487
Increase/(decrease) in employee benefits	692	12,280
Effects of exchange rate changes on cash and cash equivalents	26,688	-
Net cash used in operating activities	**(4,410,623)**	**(2,005,359)**

b) Reconciliation of Cash

Cash at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	Consolidated	
	2020	2019
	$	$
Cheque account	100,056	1,089,222
USD account	298,724	13,175
Saving bonus	4,747,389	
Term deposit	-	-
	5,146,169	**1,102,397**

22. Share-based payments

During the period, Nyrada Inc agreed to grant the following share-based payments to its directors, and other executives and advisers.

2020

Grant date	Expiry date	Balance at start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
15/02/2018	3 years from vesting date	440,000	-	-	440,000[2]	-
15/02/2018	15/02/2021	33,000	-	-	33,000[2]	-
1/05/2018	15/02/2021	22,000	-	-	22,000[2]	-
23/05/2018	15/02/2021	44,000	-	-	44,000[2]	-
23/5/2018	31/12/2019	22,000			22,000[2]	-
23/05/2018	3 years from vesting date	22,000	-	-	22,000[2]	-
25/11/2019	30/06/2024	-	6,000,000	-	-	6,000,000
25/11/2019	25/11/2022		2,000,000			2,000,000
25/11/2019	30/11/2020	-	1,725,656	-	-	1,725,656
25/11/2019	5 years from vesting date	-	18,000,000[2]	-	-	18,000,000
25/11/2019	25/11/2023	-	3,600,000[1, 2]	-	-	3,600,000
25/11/2019	25/11/2024	-	3,600,000[1, 2]	-	-	3,600,000
25/11/2019	25/11/2025	-	3,600,000	-	-	3,600,000
25/11/2019	16/01/2023	-	800,000	-	-	800,000
25/11/2019	3 years from vesting date	-	600,000[2]	-	-	600,000
25/11/2019	3 years from vesting date	-	300,000	-	-	300,000
25/11/2019	15/02/2021	-	1,000,000[2]	-	-	1,000,000
		583,000	**41,225,656**	**-**	**583,000**	**41,225,656**

[1] *Note 2 below also applies in respect of 600,000 options in each of these tranches.*

[2] *On the date when the options were granted, the company identified these as replacement options for cancelled options, which were granted during the 2018 financial year. Therefore, in accordance with AASB 2: Share Based Payments the new options are treated as a modification of the original grant of options, whereby the incremental fair value of the new options granted is recognised over the vesting period of the new options. The incremental fair value is the difference between the fair value of the replacement options and the net fair value of the cancelled options, at the date of grant of the replacement options. The increment is recognised in addition to the amount based on the grant date fair value of the original cancelled options, which continue to be recognised over the remainder of the original vesting period.*

The company has calculated the fair values of the options granted on 25 November 2019 using the same Black-Scholes model applied by the external valuation expert engaged to perform the fair value of the replaced original options granted at various times during the year ended 30 June 2018.

2019

Grant date	Expiry date	Balance at start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
15/02/2018	3 years from vesting date	440,000	-	-	-	440,000
15/02/2018	15/02/2021	33,000	-	-	-	33,000
01/05/2018	15/02/2021	22,000	-	-	-	22,000
23/05/2018	15/02/2021	44,000	-	-	-	44,000
23/05/2018	3 years from vesting date	44,000	-	-	-	44,000
		583,000	**-**	**-**	**-**	**583,000**

The company has engaged an external valuation expert to perform the fair value for the options granted during the year ended 30 June 2018 as the exercise price for the shares are based on a premium (between 10% to 30%) set on either 15 days VWAP or at the ASX IPO price.

Other assumptions used to determine the fair value of the options includes the following:

Grant date	Expiry date	Expected volatility[1]	Dividend yield	Assumed exercise price	Risk-free interest rate	Fair value at grant date
25/11/2019	30/06/2024	83%	0%	0.20	0.86%	0.1268
25/11/2019	25/11/2022	83%	0%	0.20	0.86%	0.1268
25/11/2019	30/11/2020	83%	0%	0.20	0.86%	0.0609
25/11/2019	16/01/2025	83%	0%	0.22	0.79%	0.1288
25/11/2019	5 years from vesting date	83%	0%	0.22	0.86%	0.1275
25/11/2019	5 years from vesting date	83%	0%	0.22	0.86%	0.0128[2]
25/11/2019	5 years from vesting date	83%	0%	0.22	0.86%	0.0128[2]
25/11/2019	16/01/2023	83%	0%	0.24	0.79%	0.1125
25/11/2019	16/01/2024	83%	0%	0.24	0.79%	0.1243
25/11/2019	16/01/2025	83%	0%	0.24	0.77%	0.1339
25/11/2019	16/01/2023	83%	0%	0.24	0.79%	0.1003
25/11/2019	3 years from vesting date	83%	0%	0.24	0.75%	0.1242
25/11/2019	15/02/2021	83%	0%	0.26	0.75%	0.0551

1 Expected volatility has been based on the historical volatility of Noxopharm Ltd as at the grant date there was no trading history of Nyrada.

2 Discounted for probability of achieving milestone of 10%.

23. Loss per share

	Consolidated	
	2020	2019
	$	$
Basic and diluted loss per share	(0.09)	(0.14)

Basic and diluted loss per share

The loss and weighted average number of Common Stock used in the calculation of basic earnings per share are as follows:

	Consolidated	
	2020	2019
	$	$
Loss for the year attributable to the owners of the company	(5,773,667)	(4,095,130)

	Consolidated	
	2020	2019
	$	$
Weighted average number of Common Stock outstanding during the year used in calculating basic and diluted EPS	60,911,038	29,803,970[1]

1 *The calculation of weighted average number of Common stock used in calculating basic and diluted earnings per share for the financial year ending 30 June 2019 has been adjusted for comparative purposes to take into account the two share splits during the period ending 30 June 2020 at the ratio of 1 share split into 1,001 shares and 1 share split into 2.98 shares.*

24. Key management personnel

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2020	2019
	$	$
Short-term employee benefits	725,658	597,879
Post-employment benefits	48,062	50,203
Share-based payment	783,067	367,997
	1,556,787	**1,016,079**

25. Related party transactions

a) Key Management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel.

For details of disclosures relating to key management personnel, refer to the remuneration report contained in the directors' report and note 24.

b) Other related party transactions

Mrs Prue Kelly was employed on a part time basis by the Group in the role of Executive Assistant and Investor Relations Manager effective 1 March 2020. Mrs Kelly is the spouse of Director Graham Kelly. During the financial year ending 30 June 2020, Mrs Kelly was remunerated $31,025 (inclusive of superannuation) at market rates.

As at 30 June 2020 the Group had a loan from a related party, Noxopharm Limited of $342,322 (2019: $1,839,802) as disclosed in Note 8.

During the year ended 30 June 2020 the Group issued 12,000,600 performance shares to Noxopharm Limited as an associate. Refer to Note 11(c) for details.

26. Commitments and contingencies

There are no significant commitments and contingencies at balance date in the current or prior reporting periods.

27. Financial instruments

a) Capital management

The Group manages its capital to ensure entities in the Group will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from 2019.

The Group is not subject to any externally imposed capital requirements.

Given the nature of the business, the Group monitors capital on the basis of current business operations and cash flow requirements.

b) Categories of financial instruments

		Consolidated
	2020	2019
	$	$
Financial assets		
Cash and cash equivalents	5,146,169	1,102,397
Trade and other receivables	1,078,845	6
	6,225,014	**1,102,403**
Financial liabilities		
Trade and other payables	696,883	2,124,165
Convertible Notes	-	3,930,351
	696,883	**6,054,516**

The fair value of the above financial instruments approximates their carrying values.

c) Financial risk management objectives

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of those risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The Group's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the Group where such impacts may be material. The board receives monthly financial reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

d) Market risk

Market risk for the Group arises from the use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rate (see note 27 e) below).

e) Interest rate risk management

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end on the reporting period.

Interest rate sensitivity analysis.

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end on the reporting period.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 30 June 2020 would not change.

f) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major counterparties. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

g) Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. At 30 June 2020, the Company has cash denominated in US dollars (US$204,858 (2019: US$13,174)). The A$ equivalent at 30 June 2020 is $298,724 (2019: $9,253). A 5% movement in foreign exchange rates would increase or decrease the Group's loss before tax by approximately $7,248 (2019: nil).

h) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established 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 by maintaining adequate banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

	Contractual cash flows					
	Carrying Amount	Less than 1 month	1-3 months	3-12 months	1 year to 5 years	Total contractual cash flows
2020	$	$	$	$	$	$
Trade and other payables	696,883	200,863	153,698	-	342,322	696,883

28. Auditors Remuneration

	Consolidated	
	2020	2019
	$	$
Audit and review services		
Nexia Sydney Audit Pty Ltd	49,500	35,000
Other services		
Nexia Sydney Corporate Advisory Pty Ltd	32,500	36,970

Directors' Declaration

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements;

(c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Consolidated entity; and

(d) the directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the directors,

John Moore
Non-executive Chairman

7 September 2020
Sydney, NSW

ASX Additional Information

Corporate Governance Statement

The Company's corporate governance statement is located at the Company's website:
https://www.nyrada.com/site/investors/corporate-governance

CHESS Depositary Interests

The Company has CHESS Depositary Interests (CDIs) quoted on the Australian Securities Exchange (ASX) trading under the ASX code NYR. Each CDI represents an interest in one share of Class A common stock of the Company (Share). Legal title to the Shares underlying the CDIs is held by CHESS Depositary Nominees Pty Ltd (CDN), a wholly owned subsidiary of the ASX. The Company's securities are not quoted on any other exchange.

All information provided below is current as at 24 August 2020 except as otherwise stated. To avoid double-counting, the holding of Shares by CHESS Depositary Nominees Pty Limited (underpinning the CDIs on issue) have been disregarded in the presentation of the information below, unless otherwise stated.

Distribution of CDIs

Holding Ranges	Holders	Total Units	% Issued Share Capital
1 to 1,000	10	2,673	0.97
1,001 to 5,000	212	741,345	20.48
5,001 to 10,000	162	1,415,584	15.65
10,001 to 100,000	544	23,483,851	52.56
100,001 and over	107	83,740,269	10.34
Total	**1,035**	**109,383,722**	**100.00**

Unmarketable parcels

There are 35 shareholdings held with less than a marketable parcel, totaling 53,403 shares or 0.05% of the total CDIs.

Unlisted securities

a) 18,000,000 Performance Common Stock, with terms and conditions outlined in the Prospectus (released to the ASX on 14 January 2020)

b) 1,725,656 Convertible Note Options, with an exercise price of $0.20 and expiry date of 30 November 2020

c) 8,000,000 Broker Options, with an exercise price of $0.20 and expiry date of 30 June 2024

d) 31,500,000 ESOP Options, with terms and conditions outlined in the Prospectus (released to the ASX on 14 January 2020)

Distribution of Unlisted Securities (> 20% holding)

Holder	Performance Common Stock %	Convertible Note Options %	Broker Options %	ESOP Options %
NOXOPHARM LIMITED	66.67%			
ALTNIA HOLDING PTY LTD <I DIXON FAMILY A/C>	33.33%			
GOODRIDGE FOUNDATION PTY LTD <GOODRIDGE FOUNDATION A/C>		28.78%		
GOODRIDGE NOMINEES PTY LTD <THE GOODRIDGE FAMILY A/C>		28.78%		
ACNS CAPITAL MARKETS PTY LTD			25.00%	
GRAHAM KELLY				57.14%

Restricted securities

a) Of the total 109,383,722 CDIs on issue:

- 205,000 CDIs are restricted securities to 25 November 2020
- 33,105,853 CDIs are restricted securities to 16 January 2022

b) Of the total 18,000,000 Performance Common Stock on issue:

- 18,000,000 Performance Common Stock are restricted securities to 16 January 2022

c) Of the total 1,725,656 Convertible Note Options on issue:

- 695,199 Convertible Note Options are restricted securities to 9 January 2021
- 1,030,457 Convertible Note Options are restricted securities to 16 January 2022

d) Of the total 8,000,000 Broker Options on issue:

- 8,000,000 Broker Options are restricted securities to 16 January 2022

e) Of the total 31,500,000 ESOP Options on issue:

- 29,600,000 ESOP Options are restricted securities to 16 January 2022

Substantial shareholders

Holder	Number of shares	% holding
NOXOPHARM LIMITED	33,373,245	30.51%
ELEANORE GOODRIDGE	10,474,832	9.58%
ALTNIA HOLDING PTY LTD <I DIXON FAMILY A/C>	9,921,725	9.07%

Voting Rights

CDI Holders may attend and vote at Nyrada's general meetings. The Company must allow CDI Holders to attend any meeting of Shareholders unless relevant U.S. law at the time of the meeting prevents CDI Holders from attending those meetings.

In order to vote at such meetings, CDI Holders may:

- instruct CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI Holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the Registry before the meeting;
- inform Nyrada that they wish to nominate themselves or another person to be appointed as CDN's proxy for the purposes of attending and voting at the general meeting; or
- convert their CDIs into a holding of Shares and vote these at the meeting. Afterwards, if the former CDI Holder wishes to sell their investment on the ASX it would need to convert the Shares back to CDIs. In order to vote in person, the conversion from CDIs to Shares must be completed before the record date for the meeting.

One of the above steps must be undertaken before CDI Holders can vote at Shareholder meetings.

CDI voting instruction forms and details of these alternatives will be included in each notice of meeting or proxy statement sent to CDI Holders by Nyrada.

Required Statements

The Company advises that the Annual General Meeting (AGM) of the Company is scheduled for Thursday 19 November 2020 at 10:00am (AEDT). The location of the AGM is subject to COVID-19 restrictions, including regulatory requirements. Further details, including any hybrid or virtual meeting arrangements, will be confirmed closer to the AGM.

Further to Listing Rule 3.13.1, Listing Rule 14.3, nominations for election of directors at the AGM must be received not less than 35 Business Days before the meeting, being no later than Thursday 1 October 2020.

On-Market buy-back

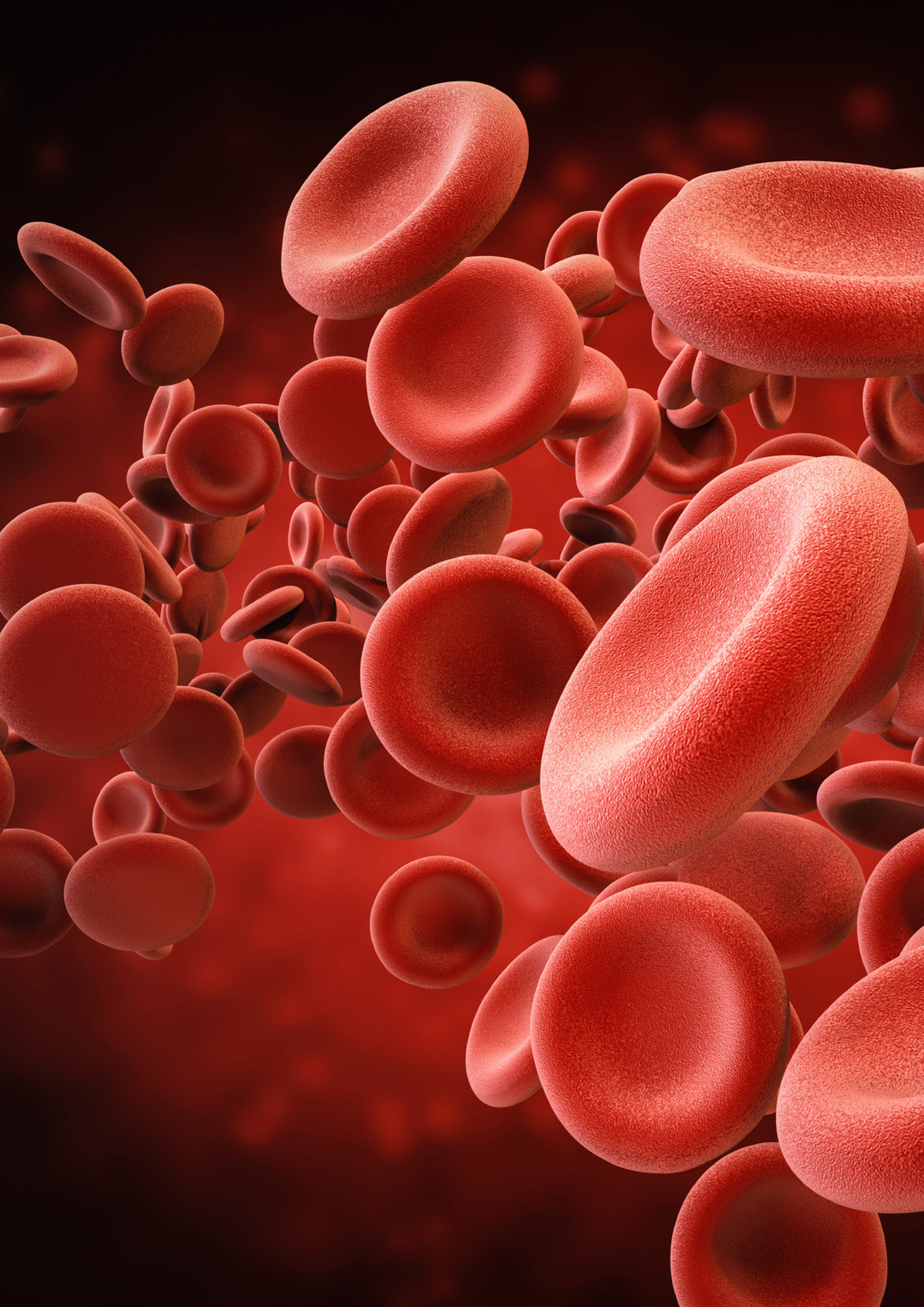
There is no current on-market buy-back.

Twenty (20) largest shareholders of quoted equity securities

Position	Holder	Holding	% held
1	NOXOPHARM LIMITED	33,373,245	30.51%
2	ALTNIA HOLDING PTY LTD <I DIXON FAMILY A/C>	9,921,725	9.07%
3	GOODRIDGE NOMINEES PTY LTD <THE GOODRIDGE FAMILY A/C>	4,600,000	4.21%
4	GOODRIDGE FOUNDATION PTY LTD <THE GOODRIDGE FOUNDATION A/C>	3,450,000	3.15%
5	COLIN HOUSELY & FREDA HOUSELY <CM HOUSLEY & FV HOUSLEY FAM>	1,863,725	1.70%
6	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	1,500,000	1.37%
7	KOHEN ENTERPRISES PTY LTD	1,335,000	1.22%
8	JOHN W KING NOMINEES PTY LTD	1,242,483	1.14%
9	GOODRIDGE FOUNDATION PTY LTD <GOODRIDGE FOUNDATION A/C>	1,212,416	1.11%
9	GOODRIDGE NOMINEES PTY LTD <THE GOODRIDGE FAMILY A/C>	1,212,416	1.11%
10	RHLC PTY LIMITED <RHLC S/F A/C>	1,000,000	0.91%
11	MR MICHAEL FRANCIS MCMAHON & MRS SUSAN LESLEY MCMAHON <MCMAHON SUPER FUND A/C>	885,000	0.81%
12	MR GRAHAM ARTHUR ROBINSON	878,888	0.80%
13	SYMPHONY CAPITAL HOLDINGS LLC	800,000	0.73%
14	MR ANTHONY JOHN LOCANTRO	644,000	0.59%
15	BAYWICK PTY LTD <RETAIL DISCRETIONARY A/C>	621,241	0.57%
15	LAWSAM PTY LTD	621,241	0.57%
16	MR JOHN GARDNER	500,000	0.46%
17	PHYTOSE CORPORATION PTY LIMITED <BOUNDARYONE S/F A/C>	466,551	0.43%
18	MR JOHN SELLERS	448,496	0.41%
19	CARDA PTY LTD <CARDA SUPER FUND A/C>	405,000	0.37%
20	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	360,500	0.33%
	Total	**67,341,927**	**61.56%**
	Total issued capital - selected security class(es)	**109,383,722**	**100.00%**

Use of funds

Since admission to the ASX on 16 January 2020 the Company has used its cash in a way consistent with its business objectives.



Nyrada
inc