ONCOLOGY RESEARCH INTERNATIONAL LIMITED

ACN 067 964 621

NOTICE OF ANNUAL GENERAL MEETING

DATE AND TIME OF MEETING

Thursday 26th November 2015 at 10.30 am

PLACE OF MEETING

Level 5
45 St George's Terrace
PERTH WA 6000

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ACN 067 964 621

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Oncology Research International Limited will be held at Level 5, 45 St George's Terrace, Perth, Western Australia, 6000 on Thursday 26th November 2015 at 10.30am for the purpose of transacting the business set out below:

AGENDA

RESOLUTION 1: Financial Statements and reports for the 2015 year

To receive, consider and adopt the financial report for the year ended 30 June 2015 and reports by Directors and Auditors thereon.

OTHER BUSINESS

1. Address by Chairman Of the Board
2. Address by Chief Executive Officer
    - Overview of significant developments
    - Review of existing research program
    - Outline of research program for the next 12 months
3. General Discussion

   Meeting open to shareholders to direct questions to the Directors.

BY ORDER OF THE BOARD

Kenneth Michael Wayte
Director/Secretary

PROXY AND VOTING ENTITLEMENT INSTRUCTIONS

PROXIES

Shareholders are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member’s voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be deposited at or sent by facsimile transmission to the registered office of the Company at Level 5, 45 St George’s Terrace, Perth, Western Australia, 6000 facsimile number +61 (8) 9481 0152 **at least 48 hours prior to the meeting**, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the Corporations Act 2001. The proxy may, but need not, be a shareholder of the Company.

In the case of shares jointly held by two or more persons, all joint shareholders must sign the proxy form.

K M Wayte
Director/Secretary

Oncology Research International Limited
ACN 067 964 621
PROXY FORM

The Company Secretary
Oncology Research International Limited
Level 5
45 St George's Terrace
PERTH WA 6000

Facsimile: +61 8 9481 0152

I/We ____

of ____

being a member/(s) of Oncology Research International Limited (the "Company")

hereby appoint ____

of ____

or in his/her absence ____

of ____

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at Level 5, 45 St George's Terrace, Perth, Western Australia, 6000, on Thursday 26th November 2015 at 10.30 am and at any adjournment of that meeting.

If you wish to indicate how your proxy is to vote, please tick the appropriate place below. If no indication is given, the proxy may abstain or vote at his or her discretion.

I/we direct my/our proxy to vote as indicated below:

		For	Against	Abstain
Resolution 1	Receipt and adoption of the 2015 Financial Statements	☐	☐	☐

As witness my/our hand/s this ______________________ day of __________________________2015

If a natural person:

SIGNED by

______________________________ Signature

______________________________ Signature (if joint holder)

If a Company

THE COMMON SEAL of

____

was affixed in the presence of:

______________________________ Signature of Director

______________________________ Signature of Director/Secretary

Oncology Research International Limited
ACN 067 964 621

ELECTRONIC COMMUNICATION

In the interest of managing costs and for speed of communication, you now have the option of receiving communications from the Company by way of email.

Please note that if you choose to receive communications electronically, you may no longer receive paper copies of communications.

Should you wish to receive communications from the Company by email, please tick the following box and provide your email address.

❑ **I elect where possible, that all future communications from the company be made by email.**

My email address is: ____

My shares are held in the name of: __________________________________

____

If you elect to receive communications electronically please return the completed form to the registered office of the Company at Level 5, 45 St George's Terrace, Perth, Western Australia, 6000 facsimile number +61 (8) 9481 0152.

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN: 34 067 964 621
AND IT'S CONTROLLED ENTITY

FINANCIAL STATEMENTS
FOR THE YEAR ENDED

30 JUNE 2015

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN 34 067 964 621
AND IT'S CONTROLLED ENTITY

CONTENTS

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN 34 067 964 621
AND IT'S CONTROLLED ENTITY

DIRECTORS' REPORT

The Directors of Oncology Research International Limited present their Report together with the financial statements of the consolidated entity, being Oncology Research International Limited ('the Company') and its controlled entity ('the Group') for the year ended 30 June 2015 and the Independent Auditor's Report thereon.

DIRECTORS

The names of each person who has been a Director during the year and to the date of this report are:

PROFESSOR JOHN GORDON MCVIE - MD, FRCP, FRCPS, FRCSE, FMedSci, DSc (Hon)
Professor McVie is a Non-executive Director, Chairman of the Board of Oncology Research International Limited and Chairman of ORIL's Scientific Advisory Committee. Professor McVie was formerly Director General of the Cancer Research Campaign in the UK before it merged with the Imperial Cancer Research Foundation to form Cancer Research UK, when he became co-Director General. Professor McVie is a leading world authority in the research and treatment of cancer. He is currently Senior Consultant at the Scientific Directorate within the European Institute of Oncology, Milan, an active clinical oncologist, lead editor of several prestigious oncology journals and advisor to the World Health Organisation.

DR PHILIP ANDREW MARSHALL - BSc (Hons), PhD, FRACI, CChem MAICD
Dr Marshall is an Executive Director and Chief Executive Officer and manages the corporate aspects of the Company, as well as overseeing the scientific and research programs. Dr Marshall has over 30 years' international experience at senior and executive management level in scientific affairs within the pharmaceutical industry. He has considerable experience in bringing pharmaceutical products from concept to commercialization, risk management, international regulatory affairs and compliance to best practice, and in patents. Dr Marshall is a member of the Australian Institute of Company Directors.

DR KENNETH MICHAEL WAYTE - DC
Dr Wayte is an Executive Director, holds a Doctor of Chiropractic and served as secretary of the Australian Chiropractors Association, Western Australia from 1977 to 1980. He was diagnosed with bowel cancer in 1986 and after following a demanding and restrictive vegetarian diet with specific plant-based treatments he recovered. As a result, he founded ORIL in 1993 with the objective of researching plant-based therapies for cancer.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Dr Kenneth Michael Wayte held the position of Company Secretary at the end of the financial year.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year is medical research. There have been no significant changes in the nature of these activities during the financial year.

OPERATING RESULTS

The consolidated operating loss of the Group after providing for income tax for the financial year amounted to $ 2,050,155 (30 June 2014: Loss $917,060).

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN 34 067 964 621
AND IT'S CONTROLLED ENTITY

DIRECTORS' REPORT

REVIEW OF OPERATIONS

During the year the Company expanded its corporate strategy by broadening the development and clinical program through multiple drug delivery systems, (leading to multiple oncology product formulations). This was designed to not only fast track ORIL007 to first-in-man Phase I studies but increase its value for out-licensing opportunities, while developing a pipeline of products in the background. The program, however, suffered a setback in that a topical (dermal) gel formulation containing ORIL007 showed no tumour reduction in either the subQ (B16) or intradermal (A431) model. ORIL remains committed to the development of a topical product and has established a new collaboration with the world-renowned Translational Research Institute (TRI) at the University of Queensland and other specialist groups which will assist with this arm of the program.

In addition, significant progress has been made in the development of an oral delivery system program (based on encouraging preliminary results) while the parenteral delivery systems are still under development and testing.

SUMMARY OF CORPORATE DEVELOPMENT & INVESTMENT

In accordance with its international focus to position the company for sustainable growth, key points for shareholders and investors regarding the research program include:

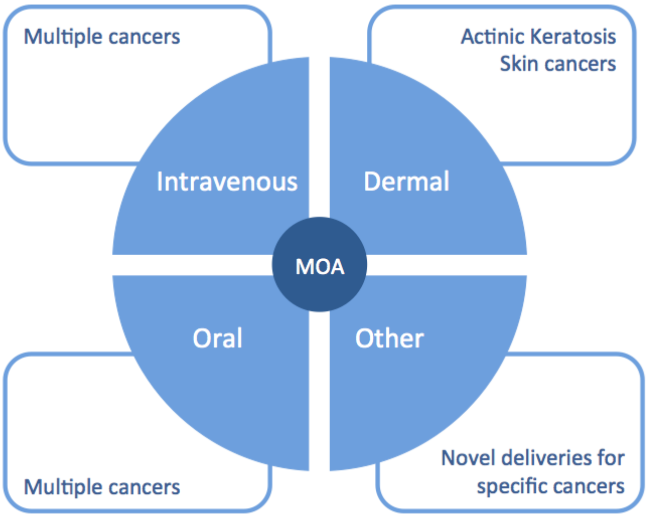
- Novel approach to oncology using ORIL compounds that are differentiated from existing classes of oncology drugs by the novel mode of action. This provides potential multiple indications and product dosage forms as a path to market.
- Internationally focused product registration strategy for ORIL's lead compound to become IND-ready for multiple dosage forms.
- Lead compound ORIL007 optimised and available; preclinical studies to be completed before entering the first-in-man Phase I study. Strong intellectual property portfolio with 4 patent families granted or in national phase in lead markets, others pending with new applications in draft for provisional filing.
- Surety of supply of ORIL007 through its manufacturing process (patent pending) with Drug Master File ready for regulatory review when required.
- ORIL's lead oncology candidate ORIL007 formulated using a number of different technologies to provide a number of prototype formulations which are being tested *via* parenteral, oral and dermal administration. This leads to multiple product opportunities.
- ORIL remains committed to develop product(s) that:
    - Have low technical risk
    - Are safe and effective at low cost that are affordable to the patient
    - Significantly prolong patient survival rate
    - Are commercially viable
- As funds permit and with shareholders support further develop the potential of ORIL's platform technology and develop a product pipeline targeting other cancer-related disease areas, for example by regulating abnormal angiogenesis.
- Delay of planned clinical program in 2015 due to negative result in pre-clinical dermal study.

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN 34 067 964 621
AND IT'S CONTROLLED ENTITY

DIRECTORS' REPORT

CORPORATE

As previously reported it was planned to enter into clinical trials by the end of 2015. However, due to the setback with the topical efficacy trials, this will be now deferred until 2016, given that the current studies with TRI will take at least 9-10 months to produce results from commencement of treatment. While this is being implemented the parenteral and oral formulations continue to be developed with the anticipation of efficacy results to be available in late 2015.



R&D STRATEGY AND PROGRAM

The Company's R&D program has been expanded to include the development of several Drug Delivery Systems (i.e. dosage forms or formulations) incorporating the oncology lead candidate ORIL007 and to build an envelope of patents around the core technology. This also provides multiple product development and market opportunities. Until mid-2014 ORIL's research and development efforts were directed to the development of a parenteral (i.e. intravenous) injectable formulation of its lead candidate ORIL007.
Work is continuing on the three major delivery systems: topical, parenteral and oral while investigating opportunities using other novel delivery systems, with the aim to develop at least one system to "IND[1]-ready" regulatory status.

Parenteral
There have been challenging technical issues for ORIL007administered via the parenteral (IV/IP) route, and some of these issues have been overcome (e.g. drug solubility). Innovative formulation strategies (e.g. nanoparticles) have been explored to reliably deliver the drug to its tumour target for efficacy. These have provided mixed results and there is ongoing formulation development in other delivery systems viz **oral** and **topical** (dermal) for specific opportunities such as GI tract, blood and skin cancers.

Topical
Laboratory formulation work for topical (dermal) gel formulations has been completed; the prototypes are stable and entered animal testing in early 2015. The initial safety studies were successful, and *ex vivo* skin penetration studies (human skin) showed penetration of ORIL007 at levels well above those required to kill cancer cells *in vitro*. Two animal efficacy trials were completed in April but the results showed no reduction of the tumours in the treated mice. The reasons for this are unclear and may be related to: the animal species and cancer cell lines selected, peculiar characteristics of mouse skin, formulation, schedule of application, dose, and interaction of ORIL007 with skin components, or perhaps the drug itself. Notwithstanding this setback ORIL has continued its investigation and development of ORIL007 in a topical product in collaboration with experts based at the Translational Research Institute (TRI) at the University of Queensland and other specialist groups using various methodologies and in animal models that closely mimic the clinic situation.
Trials with TRI should commence later in 2015 and will take a minimum of 9-10 months to complete from the commencement of treatment, and subject to the availability of the specialised breed of animals.

[1] IND is Investigational New Drug – a USA FDA regulatory process to obtain approval for a Phase I of a new drug entity.

Oral

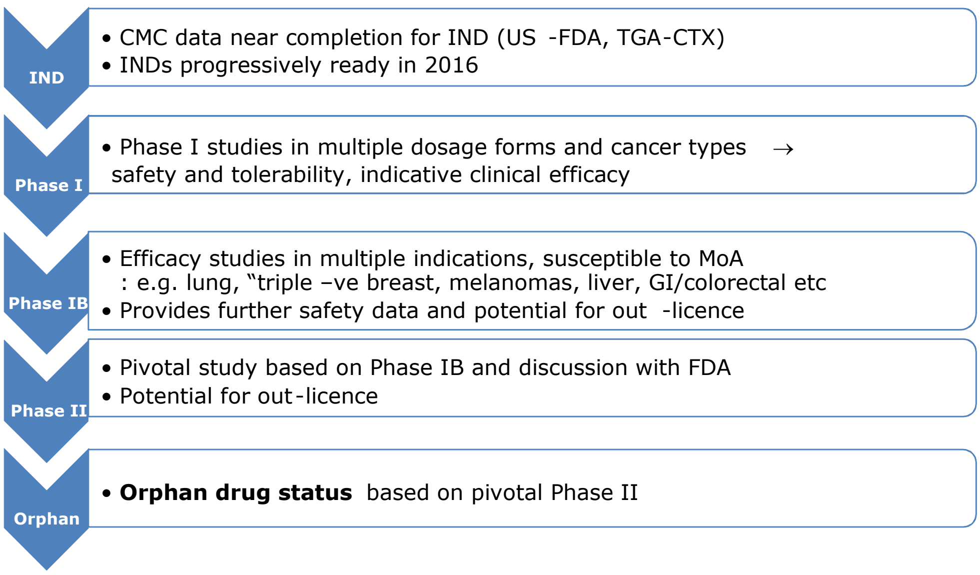
Formulation work to improve solubility for application to oral formulations is well advanced and has provided encouraging results. A major obstacle of dealing with poorly water-soluble drugs is that the drug must be solubilised in order to be absorbed across the gastrointestinal membrane into the bloodstream and this has been overcome using potentially patentable technology. Testing in laboratory animals to determine the pharmacokinetic profile (how much and to what extent is the drug absorbed) of two prototypes will commence in July. Subject to suitable data the prototype(s) will undergo efficacy testing in tumour-bearing rodents. The technology (devised by ORIL) used in the formulation prototypes not only provides an opportunity to strengthen the ORIL IP portfolio through patents but also has the potential for application to other drug delivery systems.

Product pipeline

The Company's strategy is to build a product pipeline by application of its platform technology to other cancer-related diseases and conditions, for example those in which angiogenesis plays a role and which are covered in the ORIL patent. Such conditions include psoriasis, diabetic retinopathy, and others that remain confidential. Background investigations and discussions with CROs to design *in vitro* and *in vivo* studies to support additional "proof-of-concept" stage have commenced. Subject to funding through shareholder support these will be progressed for implementation.

Clinical Development

The overall clinical development strategy is designed to enable the fast tracking of ORIL007 in multiple product forms depending on the clinical outcome(s) from multiple Phase I/IB studies. Assuming positive outcomes this would (in consultation with FDA) enable pivotal Phase II study and orphan drug status. A strategic summary is provided in the flow diagram below.



SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the financial year.

EVENTS ARISING SINCE THE END OF THE FINANCIAL YEAR

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

LIKELY DEVELOPMENTS

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have been discussed where appropriate in relation to the Group's medical research prospects in the Review of Operations contained in this report.

There are no further likely developments of which the Directors are aware which could be expected to affect the result of the Group's operations in future years.

ENVIRONMENTAL LEGISLATION

The Company's operations are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

INDEMNIFYING OFFICER OR AUDITOR

During the year, Oncology Research International Limited paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all Directors.

The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

PROCEEDINGS ON BEHALF OF COMPANY

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

The company was not a party to any such proceedings during the year.

UNISSUED SHARES UNDER OPTION

As at the date of this report, the unissued ordinary shares of Oncology Research International Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
14 May 2004	23 February 2016	$0.50	300,000
7 December 2007	23 February 2016	$0.75	3,250,000
16 October 2008	23 February 2016	$0.75	100,000
9 December 2010 to 27 May 2011	31 December 2015	$0.50	5,513,250
2 May 2012	2 May 2017	$1.00	100,000
			9,263,250

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

No options were issued to Directors and key management personnel as remuneration during the year ended 30 June 2015 and to the date of this report.

DIRECTORS' MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director is as follows:

	Meetings Attended	Meetings Eligible to Attend
J G McVie	5	5
P A Marshall	5	5
K M Wayte	5	5

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under s307C of the Corporations Act 2011 is included on the following page of this financial report and forms part of this Directors' Report.

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

P A MARSHALL
DIRECTOR

K M WAYTE
DIRECTOR

Dated this 29th day of September 2015

Level 1
10 Kings Park Road
West Perth WA 6005

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PO Box 570
West Perth WA 6872

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E info.wa@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration
To the Directors of Oncology Research International Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Oncology Research International Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M A Petricevic
Partner - Audit & Assurance

Perth, 29 September 2015

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN 34 067 964 621
AND IT'S CONTROLLED ENTITY

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	NOTE	Consolidated Group	
		2015	**2014**
		$	**$**
Other revenue	2	586,965	1,062,511
Depreciation expense		(759)	(898)
Accountancy		(176,400)	(166,285)
Audit fees		(19,905)	(19,170)
Corporate advisory		(230,038)	(228,530)
Consultancy fees		(608,160)	(576,487)
Directors fees		(100,000)	(70,000)
Legal fees		(20,876)	(19,573)
Patents		(237,344)	(126,879)
Research & development	3	(1,083,726)	(521,333)
Secretarial fees		(36,505)	(43,615)
Travel and accommodation		(81,199)	(144,665)
Other expenses		(42,208)	(62,136)
Loss before income tax		(2,050,155)	(917,060)
Income tax expense	4	-	-
Loss for the year		(2,050,155)	(917,060)
Total comprehensive loss, net of tax, attributable to owners of the parent entity		(2,050,155)	(917,060)

The accompanying notes form part of these financial statements.

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN 34 067 964 621
AND IT'S CONTROLLED ENTITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	NOTE	Consolidated Group	
		2015	**2014**
		$	**$**
CURRENT ASSETS			
Cash and cash equivalents	5	1,665,729	3,676,483
Trade and other receivables	6	41,875	51,378
Other current assets	7	41,997	15,714
TOTAL CURRENT ASSETS		1,749,601	3,743,575
NON-CURRENT ASSETS			
Property, plant & equipment	8	3,078	1,929
TOTAL NON-CURRENT ASSETS		3,078	1,929
TOTAL ASSETS		1,752,679	3,745,504
CURRENT LIABILITIES			
Trade and other payables	9	256,247	198,917
TOTAL CURRENT LIABILITIES		256,247	198,917
TOTAL LIABILITIES		256,247	198,917
NET ASSETS		1,496,432	3,546,587
EQUITY			
Share capital	10	17,325,513	17,325,513
Reserves	11	237,540	237,540
Accumulated losses		(16,066,621)	(14,016,466)
TOTAL EQUITY		1,496,432	3,546,587

The accompanying notes form part of these financial statements.

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN 34 067 964 621
AND IT'S CONTROLLED ENTITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Share Capital	Accumulated Losses	Reserves	Total
	$	$	$	$
Consolidated group				
Balance at 1 July 2014	14,446,597	(13,099,406)	237,540	1,584,731
Loss for the year	-	(917,060)	-	(917,060)
Transactions with owners				
Issue of share capital, net of issue costs	2,878,916	-	-	2,878,916
Balance at 30 June 2014	17,325,513	(14,016,466)	237,540	3,546,587
Loss for the year	-	(2,050,155)	-	(2,050,155)
Transactions with owners				
Issue of share capital, net of issue costs	-	-	-	-
Balance at 30 June 2015	17,325,513	(16,066,621)	237,540	1,496,432

The accompanying notes form part of these financial statements.

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
ABN 34 067 964 621
AND IT'S CONTROLLED ENTITY

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	NOTE	Consolidated Group	
		2015	**2014**
		$	**$**
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		85,187	71,828
Goods & Services tax refund		148,155	189,821
Research & Development Tax Offset Refund		510,118	981,952
Payments to suppliers		(2,752,306)	(2,399,945)
Net cash used in operating activities	20	(2,008,846)	(1,156,344)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Plant and Equipment		(1,908)	-
Net cash used in investing activities		(1,908)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	2,992,620
Share issue costs		-	(113,704)
Net cash provided by financing activities		-	2,878,916
Net increase/(decrease) in cash held		(2,010,754)	1,722,572
Cash at the beginning of the financial year		3,676,483	1,953,911
Cash at the end of the financial year	5	1,665,729	3,676,483

The accompanying notes form part of these financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations

The principal activity of Oncology Research International Limited and its subsidiary (the Group) is medical research.

General Information and statement of compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB.) Oncology Research International Limited is a for-profit entity for the purpose of preparing the financial statements.

Oncology Research International Limited is the Group's ultimate parent company. Oncology Research International Limited is a unlisted public company incorporated and domiciled in Australia. The registered office of the company is Level 6 256 St Georges Terrace Perth WA 6000. The principal place of business 40 Redheart Road Carramar WA 6031.

The consolidated financial statements for the year ended 30 June 2015 (including comparatives) were approved and authorised for issue by the board of directors on 29 September 2015.

Going Concern

These financial statements have been prepared on a going concern basis which the Directors believe to be appropriate. The Directors are confident that the Group will be able to maintain sufficient levels of working capital to continue as a going concern and continue to pay its debts as and when they fall due.

For the period ended 30 June 2015, the Group incurred a loss before tax of $2,050,155 (2014: $917,060). For the year ended at 30 June 2015, the Group incurred net operating cash outflows of $2,008,846 (2014: $1,156,344).

The going concern of the Group is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors continue to be focused on meeting the Group's business objectives and are mindful of the funding requirements to meet these objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- The current cash of the Group relative to its fixed and discretionary commitments;
- The contingent nature of certain of the Groups' project expenditure commitments;
- The ability of the Group to receive rebates from research and development and other government grants; and
- The underlying prospects for the Group to raise funds.

The Directors are confident that the Group can continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

Should the Group be unable to undertake the initiatives disclosed above, there is uncertainty which may cast doubt as to whether or not the Group will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New and amended standards adopted by the Group in this financial report

A number of new or amended standards became applicable for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. Information on these new standards which are relevant to the Group is presented below.

Impact of standards issued but not yet applied by the Group

New and revised accounting standards and amendments that are currently issued for future reporting periods that are relevant to the Group include:

AASB 9 *Financial Instruments*

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

The entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

AASB 14 *Regulatory Deferral Accounts*

AASB 14 permits first-time adopters of Australian Accounting Standards who conduct rate-regulated activities to continue to account for amounts related to rate regulation in accordance with their previous GAAP. Accordingly, an entity that applies AASB 14 may continue to apply its previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of its regulatory deferral account balances. This exemption is not available to entities who already apply Australian Accounting Standards.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When AASB 14 becomes effective for the first time for the year ending 30 June 2017, it will not have any impact on the entity.

AASB 15 *Revenue from Contracts with Customers*

AASB 15 replaces AASB 118: Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations. In summary, AASB 15:

- establishes a new revenue recognition model;
- changes the basis for deciding whether revenue is to be recognised over time at a point in time;
- provides a new and more detailed guidance on specific topics (eg multiple element arrangements, variable pricing, rights of return and warranties); and
- expands and improves disclosures about revenue.

When this Standard is first adopted for the year ending 30 June 2018, there will be no material impact on the transactions and balances recognised in the financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AASB 2014-9 ***Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements***

The amendments introduce the equity method of accounting as one of the options to account for an entity's investments in subsidiaries, joint ventures and associates in the entity's separate financial statements.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the financial statements.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the financial statements.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Accounting Policies

(a) Overall Considerations

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

(b) Principles of Consolidation

The Group financial statements consolidate those of the parent company and its subsidiary drawn up to 30 June 2015. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies

As at reporting date, the assets and liabilities of the controlled entity have been incorporated into the consolidated financial statements as well as their results for the year then ended.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Property, Plant and Equipment

Plant and equipment
Plant and equipment are measured on the cost basis.

Depreciation
The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Assets	Useful Life
Plant and equipment	5 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

(d) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income.)

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using the rates of tax enacted, or are substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are charged or credited directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on tax rates enacted or substantially enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Income Tax (continued)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future tax profit will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the consolidated group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Where temporary differences exist in relation to investments in subsidiaries, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Tax Consolidation
Oncology Research International Limited and its wholly owned Australian subsidiary have formed an income tax consolidated group from 1 July 2003 under tax consolidation legislation. Oncology Research International Limited is responsible for recognising the current and deferred tax liabilities for the tax consolidated group.

(e) Impairment of Non Financial Assets

At each reporting date, the Group reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Non-current assets classified as held for sale

When the Group intends to sell a non-current asset or a group of assets (a disposal group), and if sale within 12 months is highly probable, the asset or disposal group is classified as 'held for sale' and presented separately in the statement of financial position. Liabilities are classified as 'held for sale' and presented as such in the statement of financial position if they are directly associated with a disposal group.

Assets classified as 'held for sale' are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some 'held for sale' assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's accounting policy for those assets. Once classified as 'held for sale', the assets are not subject to depreciation or amortisation.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Intangibles

Research and Development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Developments costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

(h) Revenue

Interest revenue is reported on an accruals basis using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Government and other grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grants are not credited directly to shareholders equity.

When the grant relates to an asset, the fair value is credited to deferred income and is released to the profit or loss over the expected useful life of the relevant asset by equal annual installments.

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

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which it operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Exchange rate differences arising on translation are recognised in the income statement.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

(l) Financial instruments

Recognition
Financial instruments, incorporating financial assets and financial liabilities, are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss
A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Financial Instruments: Recognition and Measurement. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets
Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value
Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment
At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

(m) Share-based payments

The Company provides benefits to key management personnel (including directors) and research contractors of the Company in the form of share-based payment transactions, whereby services are rendered in exchange for options over shares ('equity-settled transactions').

The fair value of the equity to which the key management personnel become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Comparative Figures

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

		Consolidated Group	
		2015	**2014**
		$	**$**
2.	**REVENUE**		
	Operating activities		
	- Interest received	76,847	80,559
	- Research & Development Tax Offset Refund	510,118	981,952
	Total Revenue	586,965	1,062,511
3.	**LOSS FOR THE YEAR**		
	Expenses		
	- Research & development costs	1,083,726	521,333
4.	**INCOME TAX**		
	The prima facie tax payable (benefit) on the profit/(loss) from activities before income tax is reconciled to the income tax expense or benefit as follows:		
	Prima facie income tax payable (benefit) on profit/(loss) from activities before income tax at 30%	(615,046)	(275,118)
	Tax effect of differences:		
	Non assessable items:		
	- Research & Development Tax Offset Refund	(153,035)	(294,586)
	Non allowable items:		
	- Research & Development Tax Offset Claim	499,821	372,780
	- Other non allowable items	2,406	2,406
	Decrease (Increase) in Deferred Tax Asset	(26,707)	(20,901)
	Deferred Tax Assets not brought to account at 30%	292,561	215,419
	Income tax benefit attributable to profit/(loss) from ordinary activities before income tax	-	-
	Potential tax benefit at 30% of unused tax losses for which no Deferred Tax Asset has been recognised	2,082,498	1,819,701

		Note	Consolidated Group 2015 $	2014 $
5.	**CASH AND CASH EQUIVALENTS**			
	Cash at bank and in hand		1,665,729	3,676,483
	Reconciliation of Cash			
	Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to items in the Statement of Financial Position as follows:			
	Cash and cash equivalents		1,665,729	3,676,483
6.	**TRADE AND OTHER RECEIVABLES**			
	Current			
	Other receivables		4,804	13,145
	Goods & Services Tax Receivable		37,071	38,233
			41,875	51,378
7.	**OTHER CURRENT ASSETS**			
	Current			
	Prepayments		41,997	15,714
8.	**PROPERTY, PLANT & EQUIPMENT**			
	Plant & equipment, at cost		14,057	12,149
	Accumulated depreciation		(10,979)	(10,220)
			3,078	1,929

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year.

Plant and Equipment	2015 $	2014 $
Balance at beginning of year	1,929	2,827
Additions	1,908	-
Depreciation Expense	(759)	(898)
Carrying amount at the end of the year	3,078	1,929

		2015 $	2014 $
9.	**TRADE AND OTHER PAYABLES**		
	Current		
	Trade payables	256,247	198,917

	Consolidated Group	
	2015 $	2014 $

10. SHARE CAPITAL

43,341,249 (2014: 43,341,249) Fully paid ordinary shares	17,325,513	17,325,513
Ordinary shares		
At the beginning of the reporting period	43,341,249	37,356,010
Shares issued during the year	-	5,985,239
At reporting date	43,341,249	43,341,249

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Options

At balance date, share options existed which if exercised would result in the issue of 9,263,250 (2014: 9,263,250) fully paid ordinary shares as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
14 May 2004	23 February 2016	$0.50	300,000
7 December 2007	23 February 2016	$0.75	3,250,000
16 October 2008	23 February 2016	$0.75	100,000
9 December 2010 to 27 May 2011	31 December 2015	$0.50	5,513,250
2 May 2012	2 May 2017	$1.00	100,000
			9,263,250

The options are exercisable before the expiry date at the discretion of the option holder.

No share options were issued to key management personnel during the financial year.

10. SHARE CAPITAL (continued)

Capital Management

The Company's objectives when managing capital are to ensure the Group can fund its operating and continue as a going concern.

The Company monitors its working capital position against expenditure requirements to undertake its planned research and development program and maintain its ongoing operations. Where required the Company will issue new securities or modify its research and development program to ensure the Company's working capital requirements are met.

There have been no changes in the policy adopted by management to control the capital of the Company since the prior year.

11. RESERVES

Option Reserve

The Option Reserve is used to recognise fair value of options issued to key management personnel (including directors), their associates and research contractors. Details of the movement in reserves are shown on the face of the statement of changes in equity. No options were issued during the financial year.

12. KEY MANAGEMENT PERSONNEL

Compensation Practices

The totals of remuneration paid to the key management personnel of the Group during the year are as follows:

	Consolidated Group	
	2015	**2014**
	$	**$**
Short term benefits		
Cash fees[1]	510,000	502,112

Note 1

The cash fees paid are directors fees and consulting fees paid to companies associated with key management personnel for the services provided by key management personnel to the Group.

Other key management personnel transactions

Other transactions and balances with key management personnel are disclosed in Note 13.

13. RELATED PARTY TRANSACTIONS

Other transactions with key management personnel

Key management personnel and their associated entities were reimbursed for expenditure incurred in respect of the consolidated group totalling $92,458 excluding GST (2014: $127,000 excluding GST). The amount owed to by the consolidated group in respect to reimbursements due at 30 June 2015 to key management personnel and their associated entities was $ 30,799 excluding GST (2014: $13,051 excluding GST.)

The amount owed by the consolidated group at 30 June 2015 for directors fees and consulting fees as disclosed at Note 12 was $77,500 excluding GST (2014: $56,271 excluding GST.)

Details of key management personnel compensation are disclosed separately in Note 12.

14. SHARE – BASED PAYMENTS

The following share based payments existed at 30 June 2015:

	2015		2014	
	Number of options	**Weighted Average exercise price**	**Number of Options**	**Weighted average exercise price**
Outstanding at the beginning of the year	2,520,000	$0.76	2,520,000	$0.76
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at year end	2,520,000	$0.76	2,520,000	$0.76
Exercisable at year end	2,520,000	$0.76	2,520,000	$0.76

All options granted to key management personnel are ordinary shares in Oncology Research International Limited, which confer a right of one ordinary share for every option held.

15. SEGMENT INFORMATION

The consolidated group operates predominantly in the medical research industry within Australia.

16. INTEREST IN SUBSIDIARY

Set below are details of the directly held subsidiary:

ONCOLOGY RESEARCH ASSOCIATES PTY LTD	**2015**	**2014**
Country of Incorporation	Australia	Australia
Class of Share	Ordinary	Ordinary
Cost of Parent Company's Investment	$2,000,000	$2,000,000
Equity Holding	100%	100%
Contribution to Consolidated Income (Loss) from Ordinary activities before income tax	-	-

Deed of Cross Guarantee
Oncology Research International Limited and Oncology Research Associates Pty Ltd are parties to a Deed of Cross Guarantee which was lodged with and approved by the Australian Securities and Investments Commission on 8 December 1995. Under the Deed of Cross Guarantee each of the above named companies guarantees the debts of the other company.

The aggregate assets and liabilities of the above named entities relieved under the deed, and their aggregate net profit/(loss) after tax for the period then ended (after eliminating intercompany investment and other intercompany transactions) are as follows:

	2015	**2014**
	$	**$**
Assets	-	-
Liabilities	-	-

17. COMMITMENTS AND CONTINGENT LIABILITIES

There was no outstanding commitments or contingent liabilities not provided for in the financial statements of the consolidated group as at 30 June 2015.

18. PARENT ENTITY – ONCOLOGY RESEARCH INTERNATIONAL LIMITED

	2015	**2014**
	$	**$**
Parent entity		
Assets		
Current assets	1,749,601	3,743,575
Non-current assets	3,078	1,929
Total assets	1,752,679	3,745,504
Liabilities		
Current liabilities	256,247	198,917
Total liabilities	256,247	198,917
Equity		
Issued capital	17,325,513	17,325,513
Option Reserve	237,540	237,540
Retained earnings	(16,066,621)	(14,016,466)
Financial performance		
Loss for the year	2,050,155	917,060
Other comprehensive income	-	-
Total comprehensive loss	2,050,155	917,060

19. FINANCIAL INSTRUMENTS

Financial Risk Management

The group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to subsidiaries.

The main purpose of non-derivative financial instruments is to raise finance for the group operations.

The group does not have any derivative instruments at 30 June 2015.

(a) Interest rate risk

Interest rate risk is where the value of a financial instrument will fluctuate due to changes in market interest rates.

Receivables and loans to and from related entities are interest free and therefore do not evidence interest rate risk.

The consolidated group's exposure to interest rate risk and the effective interest rates on financial assets and financial liabilities at the balance date is as follows:

Financial Instruments	Floating Interest rate		Non-interest Bearing		Total carrying Amount as per the Statement of Financial Position		Weighted average Effective interest rate	
	2015	2014	2015	2014	2015	2014	2015	2014
(i) Financial assets								
Cash	1,665,729	3,676,483	-	-	1,665,729	3,676,483	2.93%	2.72%
Trade receivables	-	-	41,875	51,378	41,875	51,378	-	-
Prepayments	-	-	41,997	15,714	41,997	15,714	-	-
Total financial assets	1,665,729	3,676,483	83,872	67,092	1,749,601	3,743,575	-	-
(ii) Financial liabilities								
Trade creditors & accruals	-	-	256,247	198,917	256,247	198,917	-	-
Total financial liabilities	-	-	256,247	198,917	256,247	198,917	-	-

Interest rate sensitivity

At 30 June 2015, if interest rates had changed by -100/+70 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been $26,225 lower/ $18,358 higher (2014 – change of -100/+70 bps: $29,602 lower/ $20,721 higher), mainly as a result of higher/lower interest income from cash and cash equivalents. Equity would have been $26,225 lower/ $18,358 higher (2014 – change of -100/+70 bps: $29,602 lower/ $20,721higher) mainly as a result of an increase/decrease in the interest income from cash and cash equivalents.

19. FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the consolidated entity's reputation.

The consolidated entity manages liquidity risks by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

The table below reflects the contractual maturities of financial liabilities, including estimated interest payments.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

Financial liability and financial asset maturity analysis

30 June 2015	**Carrying amount**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Financial assets liabilities due for payment						
Trade creditors and accruals	256,247	256,247	-	-	-	-
Financial assets – cash flows realisable						
Cash and cash equivalents	1,665,729	1,665,729	-	-	-	-
Trade and other receivables	83,872	83,872	-	-	-	-

30 June 2014	**Carrying amount**	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Financial assets liabilities due for payment						
Trade creditors and accruals	198,917	198,917	-	-	-	-
Financial assets – cash flows realisable						
Cash and cash equivalents	3,676,483	3,676,483	-	-	-	-
Trade and other receivables	67,092	67,092	-	-	-	-

19. FINANCIAL INSTRUMENTS (continued)

(c) Fair values

The aggregate net fair values of financial assets and financial liabilities at the reporting date, are as follows:

	Total carrying amount As per balance sheet		Aggregate Fair value	
	2015	2014	2015	2014
Financial assets				
Cash	1,665,729	3,676,483	1,665,729	3,676,483
Prepayments	41,997	15,714	41,997	15,714
Receivables - other debtors	41,875	51,378	41,875	51,378
Total financial assets	1,749,601	3,743,575	1,749,601	3,743,575
Financial liabilities				
Trade creditors & accruals	256,247	198,917	256,247	198,917
Total financial liabilities	256,247	198,917	256,247	198,917

The following methods and assumptions are used to determine the fair values of financial assets and liabilities.

Recognised financial instruments

Cash: The carrying amount approximates fair value because of their short-term to maturity.
Trade receivables: Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.
Trade creditors and accruals are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

(c) Credit risk exposures

The consolidated group's maximum exposures to credit risk at balance date in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the balance sheet.

20. RECONCILIATION OF CASH FLOWS USED IN OPERATING ACTIVITIES

Details of the reconciliation of cash flows used in operating activities are as follows:

	Consolidated Group	
	2015 $	2014 $
Cash flows used in operating activities		
Loss for the period	(2,050,155)	(917,060)
Adjustment for depreciation	759	898
Change in trade and other receivables	9,503	16,840
Change in other current assets	(26,283)	7,215
Change in trade and other payables	57,330	(264,237)
Net cash used in operating activities	(2,008,846)	(1,156,344)

21. EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations of the consolidated Group, the results of those operations or the state of affairs of the consolidated Group in subsequent financial years.

ONCOLOGY RESEARCH INTERNATIONAL LIMITED
AND IT'S CONTROLLED ENTITY
ABN 34 067 964 621

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Oncology Research International Limited:

   a) the consolidated financial statements and notes of Oncology Research International Limited, as set out on pages 8 to 28 are in accordance with the Corporations Act 2001, including:

      i) giving a true and fair view of its financial position as at 30 June 2015 and of the performance for the year ended on that date; and

      ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

   b) there are reasonable grounds to believe that Oncology Research International Limited will be able to pay its debts as and when they become due and payable.

2. The consolidated financial statements comply with International Financial Reporting Standards.

The company and a wholly owned subsidiary, Oncology Research Associates Pty Ltd, have entered into a deed of cross guarantee as described in Note 16 under which the company and its subsidiary guarantee the debts of each other.

At the date of this declaration there are reasonable grounds to believe that the companies which are party to the deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become, subject to by virtue of the deed.

Signed in accordance with a resolution of the Directors:

Director ________________________________
P A Marshall

Director ________________________________
K M Wayte

Dated this 29th day of September 2015

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Independent Auditor's Report
To the Members of Oncology Research International Limited

We have audited the accompanying financial report of Oncology Research International Limited ("the Company"), which comprises the consolidated statement of financial position as at 30 June 2015, 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, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

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. The Directors' responsibility also includes 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. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

a the financial report of Oncology Research International Limited is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

  ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Emphasis of matter

Without qualification to the audit opinion expressed above, we draw attention to Note 1 to the financial report which indicates that the entity incurred a loss of $2,050,155 and cash outflows from operating activities of $2,008,846 for the year ended 30 June 2015. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast doubt about the entity's ability to continue as a going concern and therefore, the entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M A Petricevic
Partner - Audit & Assurance

Perth, 29 September 2015