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Dear Shareholders,

Our efforts to commercialise the MiCheck® test continue as does our work to develop the therapeutic application of the antibody technology. I am happy to report progress is being made on both fronts. In recognition of these advances we have recently updated the company's website. A link to the new site is attached below, at Item 2. I would encourage you to log onto the new site and would welcome any feedback you may have.
We have recently finalised the Annual Report for the year ended 30 June 2017. Detailed below is the Operating and Financial Review from the report outlining events over the last twelve months. A full copy of the report can be accessed from the website or via this link.
We continue the profile of our clinical advisory panel members with Professor Mark Emberton featured in this report.
Finally, I would like to thank you for your continued support of the company.

1. MiCheck® test development and commercialisation

Clinical Trials
The Company has continued its prime objective which is to commercialise the MiCheck® test.

During the year the Prospective Trial was planned and the trial design reviewed by the Clinical Advisory Panel, this being finalised in Q4 of the financial year. The ethics application has been approved and the trial is now underway with approximately 150 samples collected to date. The Prospective Trial will collect 350 patient samples (50 normal patients and 300 patients proceeding to biopsy). Data from the Prospective Trial will be analysed by our biostatisticians to finalise both the test design and algorithm. This is expected to occur in Q4 2017.

Manufacturing
During the year our manufacturer, Bio-Techne, successfully transferred our MIL-38 antibody to the bead-based Luminex platform. The Luminex platform enables the rapid measurement of multiple analytes in a single blood sample. It is well established technology that is widely used in commercial laboratories and will facilitate deployment of the MiCheck® test in the US, Europe and elsewhere.

Bio-Techne manufactured a batch of custom kits, including the MIL-38 antibody. The kits will be used to test the Prospective Trial samples. Once the final design of the test is locked down, i.e. after the Prospective Trial, the Company intends to enter into a manufacturing agreement with Bio-Techne to produce commercial quantities of the MiCheck® test.

Regulatory and Reimbursement
The Company has engaged regulatory advisors to assist with the MiCheck® test's registration in the US, Europe and other territories. The registration of the test will progress once the kit is locked down at the conclusion of the Prospective Trial. We expect the European CE Mark registration to occur first. In the US, the Company intends to offer the MiCheck® test via the CLIA laboratory pathway. FDA registration is a lengthier process which will be pursued in conjunction with the eventual licensee of the MiCheck® test.

On the reimbursement front, a health economics model of the MiCheck® test has been developed by Duke University (assisted by Torreya Partners and CUSP Group/CUSP Clinical Trials Consortium). The health economics model is designed to demonstrate the economic benefits of the MiCheck® test. The model involves rigorous cost/benefit analysis and is essential for achieving reimbursement for the test which in turn is critical to its successful commercial introduction.

Additionally, the Company will refresh the Bionest Partners US Commercial Assessment survey using the MiCheck® test target product profile as informed by the Prospective Trial results. This survey involves interviews of urologists and health care payers providing metrics regarding the likely usage and adoption rates for the test as well as indicative pricing.

CLIA Labs
During the year the Company has met with a number of CLIA labs capable of offering the test in the US. The Company's objective is to enter into an agreement with one or more labs with a view to making the test available to urologists in early 2018. We note that potential MiCheck® license negotiations /arrangements may influence the timing and the structure of the CLIA lab offering.

Commercial Partner Engagement
The Company continues to meet with potential licensees on a regular basis in line with its commercialisation process developed with its advisers, Torreya Partners. The Company plans to enter into MiCheck® licensing discussions following completion of the Prospective Trial results being released which, we anticipate, should result in a formal licensing arrangement in the first half of 2018.

2. Intellectual Property

The Company has five patent families surrounding its antibody, MIL-38, and its antigen, Glypican-1.
Three of the patents are now in National Phase with the other two patents going into National phase in the coming months. Minomic has recently had its first patent granted in Singapore, i.e. the antigen patent.

The Company has submitted two new papers for publication:
1. "Immunofluorescence assay for detection of prostate cancer cells in urine sediments: evaluation of glypican 1 (GPC-1) as a biomarker of prostate cancer" to The Journal of Cancer and
2. "Development of an assay to measure serum and plasma levels of a putative prostate cancer biomarker, Glypican-1" to the journal Oncotarget.
A further paper on the 300 patient trial is in preparation.

Miltaximab™ development
First in Human Trial
During the year the Company commenced a First in Human Trial of a chimeric version of the MIL-38 labelled with 67Gallium (this molecule is called Miltuximab™). The trial will evaluate the safety and tumour targeting of Miltuximab™ in patients with advanced prostate, bladder and pancreatic cancer.

The primary endpoint of the study are safety and tolerability of Miltuximab™. To date 8 patients have been dosed. There have been no adverse events thus far which suggests a good safety profile. Stability studies of Miltuximab™ have shown the drug is stable at 18 months demonstrating a good shelf life.

Other Mechanisms of Action
In addition to investigating Miltuximab™ the Company has been examining other therapeutic mechanisms of action, for example, an antibody drug conjugate (ADC) and a bispecific version of the

antibody. The ADC involves labelling the MIL-38 with a cancer killing drug whist the bispecific antibody involves adding an immune system antibody fragment to a MIL-38 antibody fragment. Initial data from in vitro experiments for these mechanisms is encouraging. Accordingly, the Company has recently commenced some [small scale] xenograft studies using the ADC and bispecific antibody to generate in vivo data.

Humanised Antibody
During the year the Company has also produced a humanised form of the MIL-38 antibody. A humanised antibody is generally preferred by pharmaceutical companies over mouse monoclonal antibodies. The humanised versions of the antibody are currently undergoing testing to select the optimal version for future development.

Research Collaborations
The Company intends to use the data obtained for the various mechanisms of action to prioritise its development programme. Ideally the Company will be able to attract interest from a pharmaceutical company to enter a joint research collaboration. A full therapeutic development program is planned but not yet funded so the Company has been concentrating on generating preliminary data which will support a capital raise. As indicated to shareholders previously, the Company has decided to spin out its therapeutic assets to enable it to raise the necessary capital to fund that research programme.

3. Collaborations

The Company continues to work with its local and international collaborators with both universities and service providers. These collaborations provide access to world leading research and services.

4. Capital raising

In the first half of the year we completed a successful capital raising with $8.7 million raised. Our thanks to the senior management for their hard work in gaining this successful outcome.

Therapeutic spin out
As indicated to shareholders earlier this year, the Minomic Board has come to the conclusion that the Company should spin out of its therapeutic asset into a separate but associated company.

Under the spin out plan all the Minomic shareholders will be given an equivalent shareholding in the therapeutic company. The rationale for this is as follows:
1. Minomic now has two distinctively separate life-sciences/pharmaceutical markets that its IP and technologies address. These are Clinical Diagnostics and Therapeutics. Many of the potential customers for Minomic's IP and technologies have specific interests and expertise in one but not both of these market areas and so separate licensing and/or sale opportunities may be available to the Company. Separate entities may facilitate such transactions.
2. Differing development paths and in particular larger capital requirements for progressing the therapeutic opportunities with respect to later phase trials means separate entities may be a superior strategic approach.

In consideration of this rationale the Company has been continuing its efforts to effect the spin out. The Company recently incorporated a wholly owned subsidiary company, GlyTherix Ltd. It is the intention that GlyTherix Ltd will acquire the therapeutic assets of the Company. In addition, license agreements

for the shared IP have been drafted and are currently being reviewed. We have also recently lodged an application for a tax ruling with the ATO to confirm the separation of the diagnostics and therapeutic assets will be subject to demerger roll-over relief. The ATO ruling is expected later this year. Following receipt of the ATO ruling the Board will consider the timing and details of the spin out.

As indicated above, the therapeutic development will require further investment in research and clinical trials thus the Company has and continues to discuss its plans with potential investors and fund raisers as well as potential collaborators.

5. Minomic website

Given the significant developments on both the diagnostic and therapeutic fronts the company has updated its website to better reflect its activities.
Please browse the Minomic website and let us have your thoughts.

6. Profile - Professor Mark Emberton

Member of the Minomic Clinical Advisory Panel
Mark Emberton is Dean of the Faculty of Medical Science at University College London.

He is also the Clinical Director of the Clinical Effectiveness Unit at the Royal College of Surgeons of England, a Consultant in Urological Oncology at the University College London Hospital, and a member of the Partners' Council of the National Institute of Clinical Excellence.

Mark is a world-class expert in prostate cancer who lectures in premier medical institutions throughout the world, and has published more that 200 research papers in peer reviewed journals. He has interests in the design and development of clinical studies, and innovative projects aimed at improving the diagnostic and therapeutic pathways for men with prostate cancer, principally through the use of novel imaging techniques and minimally invasive therapies. Mark leads a research team of clinical innovators that combine know-how and experience in bio-engineering and nanotechnology, and regularly carries out clinical studies aimed at enhancing cancer therapies.

7. Upcoming Events

Minomic will attend:

- **Prostate Cancer Foundation Scientific Retreat**
- **Admetech Foundation Second Global Summit on Precision Diagnosis of Prostate Cancer**

Yours sincerely,

Dr Bradley Walsh
CEO