APPENDIX 4D

For the Half Year Ended 31 December 2015

Results for Announcement to the Market

Prior Corresponding Period - Half year ended 31 December 2014

				31-Dec-15	31-Dec-14	
Revenues	up	275.97%	to	$74,133	$19,718	
Loss after tax attributable to members	up	9.98%	to	($1,750,648)	($1,591,860)	*
Net loss for the period attributable to members	up	9.98%	to	($1,750,648)	($1,591,860)	*

Dividends (distribution)	Amount per Security	Franked Amount per Security
Final dividend	n/a	n/a
Previous corresponding period	n/a	n/a

Net Tangible Asset per Security (cents per security)

As at 31 December 2015	3.03
As at 31 December 2014	1.42

Record date for determining entitlements to dividend: n/a

Explanation of the above information:

Refer to the Directors' Report - Review of Operations.

* This loss is after fully expensing all research and development costs.

To be read in conjunction with the 30 June 2015 Annual Report In compliance with Listing Rule 4.2A

antisense THERAPEUTICS LIMITED

ABN 41 095 060 745

Appendix 4D
Interim Financial Report

For the Half Year ended 31 December 2015

To be read in conjunction with the 30 June 2015 Annual Report

In compliance with Listing Rule 4.2A

Table of Contents

Directors' Report

The Directors of Antisense Therapeutics Limited ("ANP" or "the Company") provide the following Report in relation to the Company for the half year ended 31 December 2015.

Directors

The following persons were Directors of the Company during the half-year and up to the date of this report. Directors were in office for this entire period unless otherwise stated.

Mr Robert W Moses	Independent Non-Executive Chairman
Mr Mark Diamond	Managing Director
Dr Graham Mitchell	Independent Non-Executive Director
Dr Gary Pace	Independent Non-Executive Director (appointed 9th November 2015)
Mr William Goolsbee	Independent Non-Executive Director (appointed on 15 October 2015)
Dr Chris Belyea	Independent Non-Executive Director (resigned on 12 November 2015)

Our Board comprises of 3 Non-Executive Directors as well as the Managing Director.

Results and Review of Operations

Results

The Company reported a loss for the half-year of $1,750,648 (2014: $1,591,860). This loss is after fully expensing all research and development costs.

Review of Operations

Detailed below is an update on the status of the Company's development projects and overall operations for the half-year ended 31 December 2015.

Antisense Therapeutics' mission is to develop and commercialise novel antisense therapeutics in-licensed from Ionis Pharmaceuticals Inc (formerly Isis Pharmaceuticals Inc.), world leaders in antisense drug discovery and development. The Company's Research and Development activities are focused on developing its pipeline of 2nd generation antisense drugs for diseases where there is a significant and acknowledged unmet medical need and where the antisense technology has the potential to provide compounds with clear competitive advantages over existing therapies or drugs in development for those diseases.

This report should be read in conjunction with the Company's 30 June 2015 Annual Report.

ATL1103 for Acromegaly, Diabetic Retinopathy and Nephropathy and Cancer

ATL1103 is a second generation antisense drug designed to block growth hormone receptor (GHr) expression thereby reducing levels of the hormone insulin-like growth factor-I (IGF-I) in the blood and is a potential treatment for diseases associated with excessive growth hormone action. By inhibiting GHr production, ATL1103 in turn reduces IGF-I levels in the blood (serum). There are a number of diseases that are associated with excess GH and IGF-I action. These diseases include acromegaly, an abnormal growth disorder of organs, face, hands and feet; diabetic retinopathy, a common disease of the eye and a major cause of blindness; diabetic nephropathy, a common disease of the kidney and major cause of kidney failure, and certain forms of cancer.

ATL1103 is in clinical development as a treatment for acromegaly. Normalizing serum IGF-I levels is the therapeutic goal in the treatment of acromegaly and reducing the effects of IGF-I has a potential role in the treatment of diabetic retinopathy, nephropathy and certain forms of cancer. The Company conducted a successful Phase II trial of ATL1103 with the trial having met its primary efficacy endpoint by showing a statistically significant average reduction in sIGF-1 levels. The Company is presently conducting a high dose study of ATL1103 in adult patients with acromegaly in Australia.

The Company has entered into an exclusive license agreement with Strongbridge Biopharma plc (formerly Cortendo AB) a biopharmaceutical company focused on rare endocrine disorders and other rare diseases. The agreement provides

Strongbridge Biopharma plc (Strongbridge) with development and commercialization rights to ATL1103 for endocrinology applications.

Strongbridge is responsible for the ongoing clinical development of ATL1103 (known by Strongbridge as COR-004) in endocrinology applications and is to fund the associated future development, regulatory and drug manufacture costs. Antisense Therapeutics retains commercialization rights for ATL1103 in endocrinology applications in Australia and New Zealand, and also retains worldwide rights for other ATL1103 indications, and may utilize new ATL1103 data generated by Strongbridge in pursuing these other indications, subject to certain terms and conditions.

What is Acromegaly?

Acromegaly is a serious chronic life threatening disease triggered by excess secretion of growth hormone (GH) by benign pituitary tumours. Oversupply of GH over stimulates liver, fat and kidney cells, through their GH receptors, to produce excess levels of Insulin-Like Growth Factor-I (IGF-I) in the blood manifesting in abnormal growth of the face, hands and feet, and enlargement of body organs including liver, kidney and heart. The primary treatments for acromegaly are to surgically remove the pituitary gland and/or drug therapy to normalize GH and serum IGF-I levels. In North America and Europe there are approximately 85,000 diagnosed acromegaly patients with about half requiring drug therapy.

Progress

On 9 September the Company advised that dosing had commenced in its ATL1103 higher dose study with two patients (of the planned 4) having received their initial dose of ATL1103 at one of the Australian clinical trial sites.

On 19th November Antisense advised that Strongbridge had provided an update on their corporate progress following their Initial US Public Offering (IPO) with listing on the NASDAQ Global Select Market. The corporate progress update also referred to advances in the clinical development of Strongbridge's rare endocrine disease portfolio which includes COR-004/ATL1103.

The update specified that results from a secondary efficacy analysis of the completed Phase 2 trial for COR-004 had been recently presented at the Society for Endocrinology BES2015 conference and that these data provided further evidence for the efficacy of COR-004 and its ability to inhibit growth hormone receptor (GHR) expression. The update also specified that Strongbridge were pursuing orphan designation for COR-004, and engaging with regulatory agencies to determine future development plans.

ATL1102 for Multiple Sclerosis (MS)

ATL1102 is a second generation antisense inhibitor of CD49d, the alpha subunit of VLA-4 (Very Late Antigen-4). In inflammation, white blood cells (leukocytes) move out of the bloodstream into the inflamed tissue, for example, the Central Nervous System (CNS) in MS, and the lung airways in asthma. In MS, the inhibition of VLA-4 prevents white blood cells from entering the CNS, thereby reducing the severity of the disease and slowing its progression. VLA-4 is a clinically validated target in the treatment of MS. Antisense inhibition of VLA-4 has demonstrated positive effects in a number of animal models of inflammatory disease including MS. ATL1102 was shown to be highly effective in reducing MS lesions in a Phase IIa clinical trial in MS patients. The Phase IIa clinical trial data on ATL1102 has been published in the medical Journal ***Neurology (****Limmroth et al,* Neurology, 2014 Nov 11: 83(20: 1780-8)

The Company previously reported that the US Food and Drug Administration (FDA) had responded affirmatively to the Company's plan to submit a U.S. Investigational New Drug (IND) application for initiation of longer term Phase IIb human trials of ATL1102 for the treatment of MS and that supportive guidance had been obtained from the agency's Pre-IND assessment of the development strategy for ATL1102, including potential design(s) for a Phase IIb study in MS patients.

The Company also previously reported that it had signed a global agreement with innovative expanded access provider myTomorrows (Amsterdam, The Netherlands) to implement an Early Access Program (EAP) for ATL1102 for the potential treatment of MS patients who have no other treatment options in Europe.

Progress

In July 2015 the Company advised that it was exploring a number of value adding opportunities for ATL1102, including partnering for further clinical development in MS as well as capitalizing on the EAP and a promising initiative in cancer.

The Company stated that in consultation with Destum Partners who are assisting Antisense in managing the partnering process for ATL1102, the Company is continuing to seek to partner ATL1102 but with increasing focus on ATL1102's potential application in treating SP-MS where there is a high unmet medical need with few treatment options available and therefore may provide both increased and broader commercial appeal for ATL1102.

In the July 2015 announcement, the Company highlighted that in a further potentially value adding initiative for ATL1102, the drug had undergone successful testing in a pilot animal cancer study at an American University in their established cancer animal model at the University's cost (additional details on the study had been limited at the time to allow for the filing of a new patent application).

On 12th October the Company provided an update on the EAP advising that it had executed an agreement for the manufacture of an initial quantity of new ATL1102 drug compound with the new ATL1102 compound to be formulated into injectable product for use in the EAP after which ANP's partner in the EAP, myTomorrows, will be seeking EAP approvals in select European countries as well as reimbursement for drug supply.

On 8th December the Company advised that the data from the testing of ATL1102 in an animal cancer research study would be presented at The American Society of Hematology (ASH) 57th Annual Meeting in Orlando Florida. The data from this pilot animal study, conducted at the Children's Hospital Los Angeles (CHLA), showed that ATL1102, led to the rapid mobilization of acute myeloid leukemia (AML) cells to the peripheral blood in mice that had been engrafted with human AML cells. A new provisional patent application incorporating this data and covering ATL1102's potential application in AML and other leukemias has been filed by the Company.

Further animal studies are ongoing at the CHLA at their cost to more fully assess ATL1102's therapeutic potential in this leukemia disease setting.

What is Multiple Sclerosis?

Multiple Sclerosis (MS) is a life-long, chronic disease that progressively destroys the central nervous system (CNS). It affects approximately 400,000 people in North America and more than 1 million worldwide and the current market for MS drugs is estimated at more than USD$12 billion. It is a disease that affects more women than men, with onset typically occurring between 20 and 40 years of age. Symptoms of MS may include vision problems, loss of balance, numbness, difficulty walking and paralysis. In Australia MS affects over 15,000 people and worldwide MS may affect more than one million people.

ATL1102 for Asthma

The Company has previously reported encouraging results achieved in an animal model of asthma with the inhaled form of an antisense compound targeting the VLA-4 molecule. Experimental studies showed that the delivery of an antisense drug against VLA-4 via inhalation to the lung significantly suppressed the key asthma indicators in allergen sensitized mice at very low inhaled doses, pointing to the potential application of ATL1102 as an inhaled treatment for asthma. The Company has conducted successful animal studies using inhaled ATL1102 and has registered patents incorporating this data. Further development for the inhaled asthma application of ATL1102 would be undertaken with a partner.

ATL1101 for Prostate Cancer

ATL1101 is an antisense inhibitor of insulin like growth factor 1 receptor (IGF-Ir). IGF-Ir is one of the best known of a family of cell signalling molecules that are referred to as "anti-apoptotic". These molecules prolong cell survival by inhibiting programmed cell death (apoptosis). Inhibition of cell survival molecules like IGF-Ir can render tumour cells more susceptible to cell death with cytotoxic (cell death inducing) drugs. Similar "chemosensitiser" therapeutic approaches targeting the IGF-Ir are under investigation in several large pharmaceutical companies, lending support to ATL's antisense-based strategy against the same target. In animal studies ATL1101 demonstrated its effectiveness in suppressing human prostate cancer tumour growth in mouse models of human prostate cancer and this data has been published (Furukawa J et al Prostate 2010 1:70(2): 2006-18). ATL has previously undertaken certain toxicology studies on ATL1101 that would potentially position the drug to move into a clinical study in patients with prostate cancer. Further clinical development of ATL1101 would be anticipated to occur with a partner.

Director Appointments & Resignation

On the 15th October 2015 the Company appointed Mr William Goolsbee as a non-executive director. Mr. Goolsbee has 30 years experience in the medical device and biopharmaceutical industries. He has been on the Board of US NASDAQ Healthcare company, Sarepta Therapeutics Inc. since 2007 including as Chairman from 2010 to 2014.

Mr. Goolsbee was founder, Chairman and Chief Executive Officer of Horizon Medical Inc. from 1987 until its acquisition by a unit of UBS Private Equity in 2002. Mr. Goolsbee was a founding Director of ImmunoTherapy Corporation in 1993, and became Chairman in 1995, a position he held until overseeing the successful acquisition of ImmunoTherapy by AVI Biopharma, Inc. (now Sarepta Therapeutics) in 1998. Mr. Goolsbee served as Chairman of privately held BMG Pharma LLC, a pharmaceutical company, from 2006 through 2011 and of Metrodora Therapeutics until 2015.

On the 9th November 2015 the Company appointed Dr Gary Pace as a non-executive director. Dr Pace has more than 40 years of experience in the development and commercialization of advanced technologies in biotechnology, pharmaceuticals, medical devices and the food industries. He has held senior positions in small to large-scale life sciences ventures and companies in Australia, the USA and Europe. In 2003 Dr Pace was awarded a Centenary Medal by the Australian Government "for service to Australian society in research and development", and in 2011 was awarded Director of the Year (corporate governance) by the San Diego Directors Forum.

Dr Pace is currently a Director of three other public companies; ResMed (ASX/NYSE, RMD), Pacira Pharmaceuticals Inc. (NASDAQ: PCRX) and Transition Therapeutics Inc. (NASDAQ: TTHI), as well as several private companies. He has also previously held directorships in other ASX listed biotechnology companies including Peplin Ltd.

Dr Chris Belyea retired from the Board at the conclusion of the 12 November 2015 Annual General Meeting. Dr Belyea was the founding CEO of Antisense Therapeutics and served on the Board of Directors and also as Chairman of the Audit Committee for 15 years.

R&D Tax Incentive

During the period the Company received from the Australian Taxation Office an R&D Tax Incentive payment of $706,327 in relation to expenditure incurred on eligible R&D activities for the 30 June 2015 financial year.

Financial Position

At 31 December 2015, the Company had cash reserves of $5,376,102 (31 December 2014: $2,350,895)

No other matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected, or may significantly affect, the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial periods.

Events after Balance Sheet Date

No matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected, or may significantly affect, the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial periods.

Biotechnology Companies – Inherent Risks

Pharmaceutical research and development (R&D)

Pharmaceutical R&D involves scientific uncertainty and long lead times. Risks inherent in these activities include uncertainty of the outcome of the Company's research results; difficulties or delays in development of any of the Company's drug candidates; and general uncertainty related to the scientific development of a new medical therapy.

The Company's drug compounds require significant pre-clinical and human clinical development prior to commercialisation, which is uncertain, expensive and time consuming. There may be adverse side effects or inadequate therapeutic efficacy of the Company's drug candidates which would prevent further commercialisation. There may be difficulties or delays in testing any of the Company's drug candidates. There may also be adverse outcomes with the

broader clinical application of the antisense technology platform which could have a negative impact on the Company's specific drug development and commercialisation plans.

No assurance can be given that the Company's product development efforts will be successful, that any potential product will be safe and efficacious, that required regulatory approvals will be obtained, that the Company's products will be capable of being produced in commercial quantities at an acceptable cost or at all, that the Company will have access to sufficient capital to successfully advance the products through development or to find suitable development or commercial partners for the development and or commercialisation of the products and that any products, if introduced, will achieve market acceptance.

Partnering and licensing

Due to the significant costs in drug discovery and development it is common for biotechnology companies to partner with larger biotechnology or pharmaceutical companies to help progress drug development. While the Company has previously entered into such licensing agreements with pharmaceutical partners, there is no guarantee that the Company will be able to maintain such partnerships or license its products in the future. There is also no guarantee that the Company will receive back all the data generated by or related intellectual property from its licensing partners. In the event that the Company does license or partner the drugs in its pipeline, there is no assurance as to the attractiveness of the commercial terms nor any guarantee that the agreements will generate a material commercial return for the Company.

Regulatory Approvals

Complex government health regulations, which are subject to change, add uncertainty to obtaining approval to undertake clinical development and obtain marketing approval for pharmaceutical products.
Delays may be experienced in obtaining such approvals, or the regulatory authorities may require repeat of different or expanded animal safety studies or human clinical trials, and these may add to the development cost and delay products from moving into the next phase of drug development and up to the point of entering the market place. This may adversely affect the competitive position of products and the financial value of the drug candidates to the Company.

There can be no assurance that regulatory clearance will be obtained for a product or that the data obtained from clinical trials will not be subject to varying interpretations. There can be no assurance that the regulatory authorities will agree with the Company's assessment of future clinical trial results.

Competition

The Company will always remain subject to the material risk arising from the intense competition that exists in the pharmaceutical industry. A material risk therefore exists that one or more competitive products may be in human clinical development now or may enter into human clinical development in the future. Competitive products focusing on or directed at the same diseases or protein targets as those that the Company is working on may be developed by pharmaceutical companies or other antisense drug companies including Ionis or any of its other collaboration partners or licensees. Such products could prove more efficacious, safer, more cost effective or more acceptable to patients than the Company product. It is possible that a competitor may be in that market place sooner than the Company and establish itself as the preferred product.

Technology and Intellectual Property Rights

Securing rights to technology and patents is an integral part of securing potential product value in the outcomes of pharmaceutical R&D. The Company's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties. There can be no assurance that any patents which the Company may own, access or control will afford the Company commercially significant protection of its technology or its products or have commercial application, or that access to these patents will mean that the Company will be free to commercialise its drug candidates. The granting of a patent does not guarantee that the rights of others are not infringed or that competitors will not develop technology or products to avoid the Company's patented technology or try to invalidate the Company's patents, or that it will be commercially viable for the Company to defend against such potential actions of competitors.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This report is made in accordance with a resolution of directors;

Mr Robert Moses
Independent Non-Executive Chairman

Mr Mark Diamond
Managing Director

Melbourne

Dated: This the 23rd Day of February 2016.

Auditor's Independence Declaration

Ernst & Young
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Melbourne VIC 3000 Australia
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Building a better working world

Auditor's Independence Declaration to the Directors of Antisense Therapeutics Limited

As lead auditor for the review of Antisense Therapeutics Limited for the half-year ended 31 December 2015 I declare 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 review; and

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

This declaration is in respect of Antisense Therapeutics Limited and the entities it controlled during the financial period.

Ernst & Young

Joanne Lonergan
Partner
23 February 2016

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Note	31 December 2015 $	31 December 2014 $
Revenue	3	74,133	19,718
Other income	3	169,610	404,659
Depreciation expenses	4	(3,083)	(4,977)
Business development expenses	4	(376,168)	(416,225)
Administration expenses	4	(498,133)	(488,267)
Occupancy expenses	4	(58,137)	(57,753)
Patent expenses	4	(123,284)	(118,499)
Research and development expenses	4	(948,889)	(911,765)
Foreign exchange gains/(losses)	4	13,303	(18,751)
Loss before income tax		**(1,750,648)**	**(1,591,860)**
Income tax benefit		-	-
Net loss for the period		**(1,750,648)**	**(1,591,860)**
Total comprehensive loss for the period		**(1,750,648)**	**(1,591,860)**

	Note	31 December 2015 Cents	31 December 2014 Cents
Loss per share for loss attributable to the ordinary equity holders of the Company:			
Basic loss per share	6	(0.99)	(1.06)
Diluted loss per share	6	(0.99)	(1.06)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	31 December 2015 $	30 June 2015 $
ASSETS			
Current Assets			
Cash and cash equivalents	8	5,376,102	6,829,605
Trade and other receivables	5	320,537	744,480
Prepayments		147,422	93,529
Total Current Assets		**5,844,061**	**7,667,614**
Non-Current Assets			
Plant and equipment		6,202	5,424
Total Non-Current Assets		**6,202**	**5,424**
TOTAL ASSETS		**5,850,263**	**7,673,038**
LIABILITIES			
Current Liabilities			
Trade and other payables		220,357	291,881
Provisions		288,956	289,559
Total Current Liabilities		**509,313**	**581,440**
Total Non-Current Liabilities		**-**	**-**
TOTAL LIABILITIES		**509,313**	**581,440**
NET ASSETS		**5,340,950**	**7,091,598**
EQUITY			
Contributed equity	12	56,714,725	56,714,725
Reserves	13	960,855	960,855
Accumulated losses		(52,334,630)	(50,583,982)
TOTAL EQUITY		**5,340,950**	**7,091,598**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Contributed Equity	Option Reserve	Accumulated Losses	Total
	$	$	$	$
As at 1 July 2014	**52,416,936**	**960,855**	**(51,290,900)**	**2,086,891**
Loss for the period	-	-	(1,591,860)	(1,591,860)
Total comprehensive loss for the period	**-**	**-**	**(1,591,860)**	**(1,591,860)**
Transactions with owners in their capacity as owners:				
Issue of shares	2,000,000	-	-	2,000,000
Transaction costs on share issues	(209,178)	-	-	(209,178)
As at 31 December 2014	**54,207,758**	**960,855**	**(52,882,760)**	**2,285,853**
Loss for the period	-	-	2,298,778	2,298,778
Total comprehensive loss for the period	**-**	**-**	**2,298,778**	**2,298,778**
Transactions with owners in their capacity as owners:				
Issue of shares	2,516,700	-	-	2,516,700
Transaction costs on share issues	(9,733)	-	-	(9,733)
As at 30 June 2015	**56,714,725**	**960,855**	**(50,583,982)**	**7,091,598**
Loss for the period	-	-	(1,750,648)	(1,750,648)
Total comprehensive loss for the period	**-**	**-**	**(1,750,648)**	**(1,750,648)**
Transactions with owners in their capacity as owners:				
Issue of shares	-	-	-	-
Transaction costs on share issues	-	-	-	-
As at 31 December 2015	**56,714,725**	**960,855**	**(52,334,630)**	**5,340,950**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOW
FOR THE HALF YEAR ENDED 31 DECEMBER 2015

	Notes	31 December 2015 $	31 December 2014 $
CASH FLOWS RELATED TO OPERATING ACTIVITIES			
Payments to suppliers and employees		(2,230,103)	(1,792,401)
Interest received		74,133	14,034
R&D tax concession refund		706,328	1,139,739
NET OPERATING CASH FLOWS	**9**	**(1,449,642)**	**(638,628)**
CASH FLOWS RELATED TO INVESTING ACTIVITIES			
Payment for purchases of plant and equipment		(3,861)	-
NET INVESTING CASH FLOWS		**(3,861)**	**-**
CASH FLOWS RELATED TO FINANCING ACTIVITIES			
Proceeds from issues of securities		-	1,913,428
Capital raising costs		-	(206,178)
Repayment of borrowings		-	(52,240)
NET FINANCING CASH FLOWS		**-**	**1,655,010**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS		(1,453,503)	1,016,382
Cash & cash equivalents at the beginning of the period		6,829,605	1,334,513
CASH & CASH EQUIVALENTS AT THE END OF THE PERIOD	**8**	**5,376,102**	**2,350,895**

The accompanying notes form part of these financial statements.

Note 1 - Basis of Preparation

The general purpose condensed financial report for the half-year reporting period ended 31 December 2015 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and *the Corporations Act 2001*.

This half-year financial report does not include all notes of the type normally included in an Annual Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the Annual Report.

Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2015 and any public announcements made by Antisense Therapeutics Limited during the interim reporting period in accordance with the continuous disclosure requirements of *the Corporations Act 2001.*

Accounting Policies

The accounting policies adopted by the Company are consistent with the most recent Annual Report for the year ended 30 June 2015.

Note 2 - Dividends

No dividends have been declared for the period ended 31 December 2015 (31 December 2014: Nil).

Note 3 – Revenue and other income

	Note	31 December 2015 $	31 December 2014 $
Revenue			
Interest from external parties		74,133	19,718
Total Revenue		**74,133**	**19,718**
Other income			
Research and development tax concession	**3(a)**	169,610	404,659
Total Other income		**169,610**	**404,659**
Total Revenue & Other Income		**243,743**	**424,377**

3 (a) Other income relating to research and development tax concession for the 31 December 2015 reporting period consists of $169,610 anticipated refund for expenditure incurred in the 2016 financial year. The comparative period consists of $404,659 refund for expenditure incurred in the 2015 financial year.

Note 4 – Expenses

	31 December 2015 $	31 December 2014 $
Administration expenses		
Compliance expenses	113,632	101,152
Office expenses	25,008	43,773
Corporate employee expenses	359,493	343,342
Total Administration expenses	**498,133**	**488,267**
Occupancy expenses		
Rent	49,389	49,389
Other expenses	8,748	8,364
Total Occupancy expenses	**58,137**	**57,753**
Research and development expenses		
R&D ATL 1102	860,959	218,428
R&D ATL 1103	70,023	611,286
R&D staff costs	17,907	82,051
Total Research and development expenses	**948,889**	**911,765**
Patent expenses	123,284	118,499
Depreciation expenses	3,083	4,977
Business development expenses	376,168	416,225
Foreign exchange gains/(losses)	(13,303)	18,751
Total Expenses	**1,994,391**	**2,016,237**

Note 5 – Trade and Other Receivables

	31 December 2015 $	30 June 2015 $
Research and development tax concession receivable	169,610	705,336
Interest receivable	13,868	12,579
Australian Tax Office receivable	2,848	13,608
Other receivables	134,211	12,957
Total Trade and Other Receivables	**320,537**	**744,480**

Note 6 - Loss per Share

	31 December 2015 $	31 December 2014 $
Basic loss per share (cents)	(0.99)	(1.06)
Diluted loss per share (cents)	(0.99)	(1.06)
a) Net loss used in the calculation of basic and diluted loss per share	($1,750,648)	($1,591,860)
b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	176,512,483	150,533,746

c) Options that are considered to be potential ordinary shares are excluded from the weighted average number of ordinary shares used in the calculation of basic loss per share. All the options on issue do not have the effect of diluting the loss per share therefore, they have been excluded from the calculation of diluted loss per share.

There have been no other conversions to, call of, or subscriptions for ordinary shares, or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

Note 7 - Net Tangible Assets

	31 December 2015 $	31 December 2014 $
Net Tangible Assets	$5,340,950	$2,285,853
Shares (No.)	176,512,483	161,487,433
Net Tangible Assets (Cents)	3.03	1.42

Note 8 – Cash and Cash Equivalents

	31 December 2015 $	30 June 2015 $
Cash at bank	576,102	329,605
Term deposits	4,800,000	6,500,000
	5,376,102	**6,829,605**

Note 9 - Cash Flow Reconciliation

	31 December 2015 $	31 December 2014 $
Net Loss for the period	**(1,750,648)**	**(1,591,860)**
Add back depreciation expense	3,083	4,977
Add back equity issued for nil consideration	-	85,811
(Increase)/Decrease in trade and other receivables	423,942	748,028
(Increase)/Decrease in prepayments	(53,893)	73,576
Increase/(Decrease) in trade and other payables	(71,523)	17,327
Increase/(Decrease) in provisions	(603)	23,513
Net cash flows used in operating activities	**(1,449,642)**	**(638,628)**

Note 10 - Commitments and Contingencies

	31 December 2015 $	30 June 2015 $
Lease expenditure commitments:		
- not later than 12 months	82,310	24,693
- between 12 months and 5 years	-	-
- greater than 5 years	-	-
	82,310	**24,693**

The lease expenditure commitments relate to the leasing of office premises. The lease is for a term of one year. The lease expired in October 2015 and was renewed for a further 12 month period.

Note 11 - Contingent Liabilities and Assets

There has been no change in contingent liabilities and assets since the last annual reporting date.

Note 12 - Contributed Equity

	Note	31 December 2015 $	30 June 2015 $
Ordinary fully paid shares	12(a)	55,505,680	55,505,680
Options over ordinary shares	12(b)	1,209,045	1,209,045
		56,714,725	**56,714,725**

Note 12 - Contributed Equity (Continued)

12(a) Ordinary Shares	31 December 2015		30 June 2015	
	No.	$	No.	$
Balance at the beginning of the period	176,512,483	55,505,680	144,096,128	51,207,891
Shares issued during the period	-	-	32,416,355	4,516,700
Transaction costs relating to share issues		-		(218,911)
Balance at the end of the period	**176,512,483**	**55,505,680**	**176,512,483**	**55,505,680**

31 December 2015	Details	Number	Issue Price $
There has been no activity during the half year.			

30 June 2015	Details	Number	Issue Price $
1 October 2014	Placement	7,913,043	910,000
12 November 2014	Share Purchase Plan	9,478,237	1,090,000
15 May 2015	Issue of shares to Cortendo Cayman Limited	15,025,075	2,516,700
Transaction costs relating to share issues		-	(218,911)
		32,416,355	4,297,789

Ordinary shares participate in dividends and the proceeds on winding up the Company in proportion to the number of shares held. At shareholder 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. The ordinary shares have no par value.

12 (b) Options	31 December 2015		30 June 2015	
	No.	$	No.	$
Balance at the beginning of the period	46,950,984	1,209,045	46,950,984	1,209,045
Options issued during the period	-	-	-	-
Options exercised during the period	-	-	-	-
Options expired during the period	-	-	-	-
Balance at the end of the period	**46,950,984**	**1,209,045**	**46,950,984**	**1,209,045**

31 December 2015	Details	Number	Issue Price $
No changes during the period.			

30 June 2015	Details	Number	Issue Price $
No changes during the period.			

Note 13 – Reserves

	31 December 2015		30 June 2015	
	No.	$	No.	$
Unlisted options over fully paid ordinary shares	72,000	960,855	72,000	960,855
Options exercised	-	-	-	-
	72,000	**960,855**	**72,000**	**960,855**

31 December 2015	Details	Number	Issue Price $
No changes during the period.			

31 December 2014	Details	Number	Issue Price $
No changes during the period.			

Note 14 - Segment Information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Managing Director (Chief Operating Decision Maker) in assessing performance and determining the allocation of resources.

The operating segments are identified by the Managing Director and his executive management team based on the manner in which the expenses are incurred. Discrete financial information about each of these operating segments is reported by the Managing Director to the Board on a regular basis.

The reportable segments are based on aggregated operating segments determined by similarity of expenses, where expenses in the reportable segments exceed 10% of the total expenses for either the current and/or previous reporting period.

Operating Segments

- ATL1102 - Multiple Sclerosis
- ATL1103 - Growth and Sight Disorders

31 December 2015	Note	ATL1102 Multiple Sclerosis	ATL1103 Growth and Sight Disorders	Total
Revenue				
Segment Revenue		-	-	-
Unallocated Revenue	14(a)	-	-	74,133
Total Revenue		**-**	**-**	**74,133**
Result				
Segment Result		(860,959)	(70,023)	(930,982)
Unallocated Result	14(b)	-	-	(1,063,409)
Other income	14(a)	-	-	169,610
Income Tax Benefit		-	-	-
Net Result		**(860,959)**	**(70,023)**	**(1,750,648)**

Note 14 - Segment Information (Continued)

31 December 2014	Note	ATL1102 Multiple Sclerosis	ATL1103 Growth and Sight Disorders	Total
Revenue				
Segment Revenue		-	-	-
Unallocated Revenue	14(a)	-	-	19,718
Total Revenue		**-**	**-**	**19,718**
Result				
Segment Result		(218,428)	(611,286)	(829,714)
Unallocated Result	14(b)	-	-	(1,186,523)
Other income	14(a)	-	-	404,659
Income Tax Benefit		-	-	-
Net Result		**(218,428)**	**(611,286)**	**(1,591,860)**

		31 December 2015 $	31 December 2014 $
14(a)	**Unallocated Revenue**		
	- Interest from external parties	74,133	19,718
	- R&D Tax Concession Refund	169,610	404,659
		243,743	**424,377**
14(b)	**Unallocated Result**		
	- Compliance expenses	(113,632)	(101,152)
	- Business development expenses	(376,168)	(416,225)
	- Corporate employee expenses	(359,493)	(343,342)
	- Patent expenses	(123,284)	(118,499)
	- Other expenses	(90,832)	(207,305)
		(1,063,409)	**(1,186,523)**

Note 15 - Events Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Directors' Declaration

The Directors' of the Company declare that;

1. The financial statements and notes, as set out on pages 11 to 21, are in accordance with the *Corporations Act 2001* including:

   a. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *the Corporations Regulations 2001*;

   b. giving a true and fair view of the Company's financial position as at 31 December 2015 and of its performance for the half year ended on that date; and

2. 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.

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

Mr Robert Moses
Independent Non-Executive Chairman

Mr Mark Diamond
Managing Director

Melbourne

Dated: This the 23rd Day of February 2016.

Auditors Review Report

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Building a better working world

To the members of Antisense Therapeutics Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half year financial report of Antisense Therapeutics Limited which comprises the condensed statement of financial position as at 31 December 2015, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half year ended on that date, 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 half year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Antisense Therapeutics Limited and the entities it controlled during the half year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Antisense Therapeutics Limited is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half year ended on that date; and

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Ernst & Young

Joanne Lonergan
Partner
Melbourne
23 February 2016

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Corporate Directory

DIRECTORS

Mr. Robert W Moses	Independent Non-Executive Chairman
Mr. Mark Diamond	Managing Director
Dr. Graham Mitchell	Independent Non-Executive Director
Dr Gary Pace	Independent Non-Executive Director
(appointed 9th November 2015)	
Mr William Goolsbee	Independent Non-Executive Director
(appointed on 15 October 2015)	
Dr Chris Belyea	Independent Non-Executive Director
(resigned on 12 November 2015)	

COMPANY SECRETARY
Mr Phillip Hains

COMPANY
Antisense Therapeutics Limited
ABN 41 095 060 745

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www.antisense.com.au

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SHARE REGISTRY
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Sydney, NSW, 2000

Telephone: 1300 737 760
International: +61 (0)2 9290 9600

SOLICITORS
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Rialto Towers
Level 23, 525 Collins Street
Melbourne, Victoria, 3000

AUDITORS
Ernst & Young (EY)
8 Exhibition Street
Melbourne VIC 3000,
Australia
Telephone: +61 (0)3 9288 8000
Facsimile: +61 (0)3 8650 7711

BANKERS
Commonwealth Bank of Australia
Melbourne, Victoria

SECURITIES QUOTED
Australian Securities Exchange
- Ordinary Fully Paid Shares (Code: ANP)

American Depository Receipts (ADR)
Level 1 ADR Program, ADRs are traded in the US over-the-counter (OTC) market.
Ratio: 1 ADR = 20 ordinary shares
Symbol: ATHJY
CUSIP: 037183100