UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 001-39825

Intelligent Bio Solutions Inc.
(Exact name of Registrant as specified in its Charter)

Delaware (State or other jurisdiction of incorporation or organization)	**82-1512711** (I.R.S. Employer Identification No.)
Intelligent Bio Solutions Inc., **135 West, 41ST Street, 5th Floor, New York, NY** (Address of principal executive offices)	**10036** (Zip Code)

Registrant's telephone number, including area code: **(646) 828-8258**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	INBS	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

As of November 4, 2024, there were 4,386,816 shares of the registrant's Common Stock issued and outstanding.

Table of Contents

		Page
PART I.	**FINANCIAL INFORMATION**	3
Item 1.	Financial Statements (unaudited)	
	Condensed Consolidated Balance Sheets	3
	Condensed Consolidated Statements of Operations and Other Comprehensive Income (Loss)	4
	Condensed Consolidated Statements of Changes in Shareholders’ Equity	5
	Condensed Consolidated Statements of Cash Flows	6
	Notes to Condensed Consolidated Financial Statements	7
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	21
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	27
Item 4.	Controls and Procedures	27
PART II.	**OTHER INFORMATION**	29
Item 1.	Legal Proceedings	29
Item 1A.	Risk Factors	29
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	30
Item 3.	Defaults Upon Senior Securities	30
Item 4.	Mine Safety Disclosures	30
Item 5.	Other Information	30
Item 6.	Exhibits	31
Signatures		32

PART I. FINANCIAL INFORMATION
Intelligent Bio Solutions Inc.
Condensed Consolidated Balance Sheets

	As of September 30, 2024 (Unaudited)	As of June 30, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 3,989,431	$ 6,304,098
Accounts receivable, net	578,578	429,704
Inventories, net	738,789	777,537
Research and development tax incentive receivable	648,334	525,332
Deferred charges	127,586	-
Other current assets	396,193	497,572
Total current assets	6,478,911	8,534,243
Property and equipment, net	586,120	565,850
Operating lease right-of-use assets	260,760	306,744
Intangibles, net	4,400,092	4,372,026
Total assets	$ 11,725,883	$ 13,778,863
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	$ 1,834,416	$ 1,704,568
Current portion of operating lease liabilities	281,565	274,834
Current portion of deferred grant income	2,585,696	2,486,668
Current employee benefit liabilities	477,517	469,381
Current portion of notes payable	499,605	515,282
Total current liabilities	5,678,799	5,450,733
Employee benefit liabilities, less current portion	69,731	63,615
Operating lease liabilities, less current portion	28,111	81,324
Total liabilities	$ 5,776,641	$ 5,595,672
Commitments and contingencies (Note 11)		
Shareholders' equity		
Common stock, $0.01 par value, 100,000,000 shares authorized, 4,377,759 and 3,456,000 shares issued and outstanding at September 30, 2024 and June 30, 2024, respectively	43,775	34,557
Treasury stock, at cost, 116 shares as of September 30, 2024 and June 30, 2024, respectively	(1)	(1)
Additional paid-in capital	61,207,017	60,971,740
Accumulated deficit	(54,649,965)	(51,964,332)
Accumulated other comprehensive loss	(496,259)	(712,614)
Total consolidated Intelligent Bio Solutions Inc. equity	6,104,567	8,329,350
Non-controlling interest	(155,325)	(146,159)
Total shareholders' equity	5,949,242	8,183,191
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 11,725,883	$ 13,778,863

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Intelligent Bio Solutions Inc.
Condensed Consolidated Statements of Operations and Other Comprehensive Income (Loss)*
(Unaudited)

	Three Months Ended September 30,	
	2024	**2023**
Revenue	$ 872,287	$ 796,094
Cost of revenue (exclusive of amortization shown separately below)	(525,486)	(563,763)
Gross profit	346,801	232,331
Other income		
Government support income	126,128	109,871
Operating expenses		
Selling, general and administrative expenses	(1,949,016)	(2,457,060)
Development and regulatory approval expenses	(948,752)	(103,947)
Depreciation and amortization	(300,422)	(307,560)
Total operating expenses	(3,198,190)	(2,868,567)
Loss from operations	(2,725,261)	(2,526,365)
Other income (expense), net		
Interest expense	(22,327)	(37,448)
Realized foreign exchange loss	(51)	-
Fair value gain on revaluation of financial instrument	-	131,250
Interest income	52,840	139
Total other income, net	30,462	93,941
Net loss	(2,694,799)	(2,432,424)
Net loss attributable to non-controlling interest	(9,166)	(7,220)
Net loss attributable to Intelligent Bio Solutions Inc.	$ (2,685,633)	$ (2,425,204)
Other comprehensive income (loss), net of tax		
Foreign currency translation gain / (loss)	216,355	(18,016)
Total other comprehensive income / (loss)	216,355	(18,016)
Comprehensive loss	(2,478,444)	(2,450,440)
Comprehensive loss attributable to non-controlling interest	(9,166)	(7,220)
Comprehensive loss attributable to Intelligent Bio Solutions Inc.	(2,469,278)	(2,443,220)
Net loss per share, basic and diluted*	$ (0.70)	$ (12.48)
Weighted average shares outstanding, basic and diluted *	3,811,090	194,200

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

*Common stock and per share amount have been retroactively adjusted to reflect the decreased number of shares resulting from a 1-for-12 reverse stock split effected on January 26, 2024, throughout the condensed consolidated financial statements unless otherwise stated.

Intelligent Bio Solutions Inc.
Condensed Consolidated Statements of Changes in Shareholders' Equity*
(Unaudited)

	Common stock		Treasury stock		Additional paid in capital	Accumulated deficit	Other comprehensive income / (loss)	Non-controlling interest	Total shareholders' equity
	Shares	Amount	Shares	Amount					
Balance, June 30, 2024	3,456,000	$ 34,557	(116)	$ (1)	$ 60,971,740	$ (51,964,332)	$ (712,614)	$ (146,159)	$ 8,183,191
Issuance of common stock upon cashless exercise of warrants	793,930	7,939	-	-	-	-	-	-	7,939
Stock awards issued to employees	99,500	995	-	-	189,050	-	-	-	190,045
Issuance of restricted stock to vendors	11,162	112	-	-	11,888	-	-	-	12,000
Issuance of common stock, net of issuance costs	17,167	172	-	-	34,339	-	-	-	34,511
Foreign currency translation gain	-	-	-	-	-	-	216,355	-	216,355
Net loss	-	-	-	-	-	(2,685,633)	-	(9,166)	(2,694,799)
Balance, September 30, 2024	4,377,759	$ 43,775	(116)	$ (1)	$ 61,207,017	$ (54,649,965)	$ (496,259)	$ (155,325)	$ 5,949,242

	Common stock		Treasury stock		Additional paid in capital	Accumulated deficit	Other comprehensive Income/ (loss)	Non-controlling interest	Total shareholders' equity
	Shares	Amount	Shares	Amount					
Balance, June 30, 2023*	194,200	$ 1,942	(116)	$ (1)	$ 46,180,112	$ (41,807,573)	$ (575,496)	$ (111,986)	$ 3,686,998
Foreign currency translation loss	-	-	-	-	-	-	(18,016)	-	(18,016)
Net loss	-	-	-	-	-	(2,425,204)	-	(7,220)	(2,432,424)
Balance, September 30, 2023	194,200	$ 1,942	(116)	$ (1)	$ 46,180,112	$ (44,232,777)	$ (593,512)	$ (119,206)	$ 1,236,558

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

* Common stock has been retroactively adjusted to reflect the decreased number of shares resulting from a 1-for-12 reverse stock split effected on January 26, 2024, throughout the condensed consolidated financial statements unless otherwise stated.

Intelligent Bio Solutions Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
Cash Flows from Operating Activities		
Net loss	$ (2,694,799)	$ (2,432,424)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation and amortization	241,622	247,598
Amortization on right-of-use assets	61,489	59,962
Provision for inventory obsolescence	-	67,851
Share-based compensation	202,045	-
Non-cash refund of R&D expenditure claims	(86,037)	(33,523)
Fair value gain on revaluation of holdback Series C preferred stock	-	(131,250)
Non-cash other operating activities	(33,170)	104,485
Changes in operating assets and liabilities:		
Accounts receivable	(148,874)	(273,649)
Inventories	38,748	(53,035)
Grant receivable / deferred grant income	-	(97,128)
Research and development tax incentive receivable	(123,002)	(60,830)
Deferred charges	(127,586)	-
Other current assets	101,379	139,486
Accounts and other payables	221,335	1,215,964
Other long-term liabilities	6,116	2,830
Operating lease liabilities	(46,482)	(68,170)
Net cash used in operating activities	(2,387,216)	(1,311,833)
Cash flows from Financing Activities		
Proceeds from issuance of common stock, net of costs	34,511	-
Proceeds from exercise of warrants	7,939	-
Net cash provided by financing activities	42,450	-
Effect of foreign exchange rates on cash and cash equivalents	30,099	(39,010)
Net decrease in cash and cash equivalents	(2,314,667)	(1,350,843)
Cash and cash equivalents, beginning of period	6,304,098	1,537,244
Cash and cash equivalents, end of the period	$ 3,989,431	$ 186,401
Non-cash investing and financing activities		
Equity issuance costs in accounts payable and accrued expenses	$ 127,586	$ -

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

NOTE 1. ORGANIZATION AND DESCRIPTION OF THE BUSINESS

Intelligent Bio Solutions Inc. and its wholly owned Delaware subsidiary, GBS Operations Inc., were each formed on December 5, 2016, under the laws of the state of Delaware. The Company's Australian subsidiary, Intelligent Bio Solutions (APAC) Pty Ltd, was formed on August 4, 2016, under the laws of New South Wales, Australia and was renamed to Intelligent Bio Solutions (APAC) Pty Ltd on January 6, 2023. On October 4, 2022, INBS acquired Intelligent Fingerprinting Limited ("IFP"), a company registered in England and Wales. The Company's headquarters are in New York, New York. Unless context requires or indicates otherwise, the terms "we," "us," "our," "Company," or "INBS" refer to Intelligent Bio Solutions Inc. together with its consolidated subsidiaries.

Intelligent Bio Solutions Inc. is a medical technology company focused on developing and delivering intelligent, rapid, non-invasive testing and screening solutions. The Company operates globally with the objective of providing innovative and accessible solutions that improve the quality of life.

NOTE 2. LIQUIDITY AND GOING CONCERN

On September 18, 2024, the Company entered into an At The Market Offering Agreement (the "ATM Agreement") with Ladenburg Thalmann & Co. Inc. ("Ladenburg"). Pursuant to the terms of the ATM Agreement, the Company may sell from time to time through Ladenburg, as sales agent and/or principal, shares of the Company's common stock, with an aggregate sales price of up to $3.0 million. During the period between September 18, 2024, through to September 30, 2024, the Company raised approximately $34,511 (net of commission) through the sale and issuance of 17,167 shares of Company common stock pursuant to the ATM Agreement. Any sale of shares pursuant to the ATM Agreement are made under the Company's effective "shelf" registration statement on Form S-3 (File No. 333-264218), which became effective on April 20, 2022, and included base prospectus, and under the related prospectus supplement filed with U.S. Securities and Exchange Commission (the "SEC") dated September 18, 2024.

The Company incurred net losses of $2,685,633 (after losses attributable to non-controlling interest) for the three months ended September 30, 2024 (net loss of $2,425,204 for the three months ended September 30, 2023). As of September 30, 2024, the Company has shareholders' equity of $5,949,242, working capital of $800,112, and an accumulated deficit of $54,649,965.

The Company anticipates operating losses for the foreseeable future. The Company does not expect to generate positive cash flows from operating activities and may continue to incur operating losses until it sufficiently delivers on its objectives which include completion of the regulatory approval process in the United States of America (US) and other markets where such approval may be required, expansion of its revenue base into target markets, and the continued development of its products. The ability to achieve these objectives is subject to inherent risks and no assurance can be provided that these objectives will be fully achieved within the next 12 months.

The Company has evaluated whether there are conditions and events, considered in the aggregate, that raise a substantial doubt about its ability to continue as going concern within one year after the date of release of these unaudited condensed consolidated financial statements. Management believes there is material risk that the Company's cash and cash equivalents as of September 30, 2024, of approximately $3.99 million, may be insufficient to fund its current operating plan through at least the next twelve months from the issuance of these unaudited condensed consolidated financial statements. Accordingly, the Company may be required to raise additional funds during the next 12 months. However, there can be no assurance that when the Company requires additional financing, such financing will be available on terms which are favorable to the Company, or at all. If the Company is unable to raise additional funding to meet its working capital needs in the future, it will be forced to delay or reduce the scope of its research programs and/or limit or cease its operations. In addition, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

Accordingly, these factors raise substantial doubt about the Company's ability to continue as a going concern unless it can successfully meet the stated objectives and/or raise additional capital.

The Company's unaudited condensed consolidated financial statements have been prepared on a going concern basis which contemplates the realization of assets and satisfaction of liabilities and commitments in the normal course of business. The unaudited condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities should the Company be unable to continue as a going concern.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP" or "GAAP") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, our unaudited condensed consolidated financial statements do not include all the information and footnotes required by US GAAP for complete financial statements. Normal and recurring adjustments considered necessary for a fair statement of the results for the interim periods, in the opinion of the Company's management, have been included. Operating results for the three months ended September 30, 2024, are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2025. The accompanying unaudited condensed consolidated financial statements and related footnote disclosures should be read in conjunction with the consolidated financial statements and notes thereto included in our Form 10-K for the fiscal year ended June 30, 2024, which was filed with the SEC on September 18, 2024 (the "2024 Form 10-K").

Principles of consolidation

These unaudited condensed consolidated financial statements include the accounts of the Company, all wholly owned and majority-owned subsidiaries in which the Company has a controlling voting interest and, when applicable, variable interest entities in which the Company has a controlling financial interest or is the primary beneficiary. Investments in affiliates where the Company does not exert a controlling financial interest are not consolidated.

All significant inter-company transactions and balances have been eliminated upon consolidation.

Foreign currency translation

Assets and liabilities of foreign subsidiaries are translated from local (functional) currency to reporting currency (U.S. dollar) at the spot rate on the consolidated balance sheet date; income and expenses are translated at the average rate of exchange prevailing during the applicable period. Adjustments resulting from translating local currency financial statements into U.S. dollars are reflected in accumulated other comprehensive loss in total shareholders' equity.

The functional currency of INBS is the United States dollar. The fluctuations in foreign currency exchange rates resulted in a gain of $216,355 and a loss of $18,016 for the three months ended September 30, 2024, and 2023, respectively.

Use of estimates

The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant estimates made by management in connection with the preparation of the accompanying consolidated financial statements including the fair value measurement of and the useful lives of long-lived assets, inventory valuations, the allocation of transaction price among various performance obligations, and the allowance for credit losses. Actual results could materially differ from those estimates.

Cash and cash equivalents

The Company considers all highly liquid investments with a maturity of 90 days or less to be cash equivalents. The carrying values of cash and cash equivalents approximate their fair values due to the short-term nature of these instruments. As of September 30, 2024, and June 30, 2024, there were no cash equivalents.

Concentration of credit risk

The Company places its cash and cash equivalents, which may at times be in excess of the Australia Financial Claims Scheme, Financial Services Compensation Scheme or the United States' Federal Deposit Insurance Corporation insurance limits, with high credit quality financial institutions and attempts to limit the amount of credit exposure with any one institution. No losses have been incurred to date on any deposits.

Fair value measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1-Quoted prices in active markets for identical assets or liabilities.

Level 2-Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3-Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The carrying amounts of cash equivalents, prepaid and other assets, accounts payable and accrued liabilities are representative of their respective fair values because of the short-term nature of those instruments.

Inventories, net

Inventories are stated at the lower of cost or net realizable value. Cost comprises direct materials and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. General market conditions, as well as the Company's research activities, can cause certain of its products to become obsolete. The Company writes down excess and obsolete inventories based upon a regular analysis of inventory on hand compared to historical and projected demand. The determination of projected demand requires the use of estimates and assumptions related to projected sales for each product. These write downs can influence results from operations.

Equity offering costs

The Company complies with the requirements of Accounting Standards Codification ("ASC") 340, *Other Assets and Deferred Costs*, with regards to offering costs. Prior to the completion of an offering, offering costs are capitalized as deferred offering costs on the consolidated balance sheets. The deferred offering costs will be charged to shareholders' equity upon the completion of the related offering.

Property, Plant and Equipment ("PPE") & Construction in Progress ("CIP")

In accordance with the ASC 360, *Property, Plant, and Equipment*, the Company's PPE, except land, is stated at cost net of accumulated depreciation and impairment losses, if any. Land is stated at cost less any impairment losses. Costs incurred to acquire, construct, or install PPE, before the assets are ready for use, are capitalized in CIP at historical cost. The carrying amount of assets purchased or constructed out of the grant funds are presented net by deducting the grant proceeds received from the gross costs of the assets or CIP. CIP is not depreciated until such a time when the asset is substantially completed and ready for its intended use. Expenditures for maintenance and repairs are charged to operations in the period in which the expense is incurred. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset using the following terms:

- Other equipment – 3 years
- Production equipment – 2-4 years
- Leasehold improvements – shorter of asset's estimated useful life and the remaining term of the lease

The assets' residual values, useful lives and methods of depreciation are reviewed periodically and adjusted prospectively, if appropriate. Equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising upon de-recognition of the asset (calculated as the difference between the net disposal proceeds, if any, and the carrying value of the asset) is included in gain or loss on sale of assets in the consolidated statements of operations in the period the asset is derecognized.

Leases

The Company determines if an arrangement is a lease at its inception. Lease arrangements are comprised primarily of real estate for which the right-of-use ("ROU") assets and the corresponding lease liabilities are presented separately on the consolidated balance sheet.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. The lease term includes options to extend the lease when it is reasonably certain that the option will be exercised. Leases with a term of 12 months or less are not recorded on the consolidated balance sheet.

The Company uses its estimated incremental borrowing rate in determining the present value of lease payments considering the term of the lease, which is derived from information available at the lease commencement date, considering publicly available data for instruments with similar characteristics. The Company accounts for the lease and non-lease components as a single lease component.

Intangible assets

Intangible assets are considered long-lived assets and are recorded at cost, less accumulated amortization and impairment losses, if any. The definite-lived intangible assets are amortized over their estimated useful lives, which do not exceed any contractual periods. Certain of our intangible assets have been assigned an indefinite life as we currently anticipate that these trade names and trademarks will contribute cash flows to the Company indefinitely. Indefinite-lived intangible assets are not amortized but are evaluated at least annually to determine whether the indefinite useful life is appropriate. Amortization is recorded on a straight-line basis over their estimated useful lives. Intangible assets acquired from a foreign operation are translated from the foreign entity's functional currency to the presentational currency based on the exchange rate at the reporting date.

Impairment of long-lived assets

Long-lived assets include acquired property and equipment, right of use assets and other intangible assets subject to amortization. The Company evaluates the recoverability of long-lived assets for possible impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable.

Such events and changes may include significant changes in performance relative to expected operating results, significant changes in asset use, significant negative industry or economic trends, and changes in the Company's business strategy. Recoverability is measured by a comparison of the carrying amount of an asset or asset group to the undiscounted future cash flows expected to be generated by the asset or asset group. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount over the fair value of the asset, while long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

During the three months ended September 30, 2024, and 2023, the Company did not record any impairment charges on its long-lived assets.

Revenue recognition

In accordance with ASC 606, Revenue from Contracts with Customers, the Company recognizes revenue from its contracts with customers when it satisfies its performance obligations by delivering the promised goods or service deliverables to the customers. A good or service deliverable is transferred to a customer when, or as, the customer obtains control of the good or service deliverable.

Financial information presented on a consolidated basis is accompanied by disaggregated information about revenue and other income by product type for the purpose of allocating resources and evaluating financial performance. Currently, the Company has two products offerings. Accordingly, the Company has determined the following reporting segments (refer to Note 4, Segment Information):

1) Commercially available Intelligent Fingerprinting Products (“IFPG” or “IFPG segment”)
2) Development Stage Biosensor Platform Technology (“BPT segment”)

Revenue is used to evaluate the performance of the Company’s segments, the progress of major initiatives and the allocation of resources. All of the Company’s revenues is attributable to the IFPG segment during the three months ended September 30, 2024 and 2023.

Revenue from the IFPG segment relates to the sale of readers, cartridges and other sales which represents accessories and is summarized as follows:

	Three Months Ended September 30,	
	2024	**2023**
Sales of goods - cartridges	$ 448,514	$ 380,059
Sales of goods - readers	233,786	238,802
Other sales	189,987	177,233
Total revenue	$ 872,287	$ 796,094

Other income

The other income is mainly comprised of grant income and research and development (“R&D”) tax refund.

a) Grant income

On June 30, 2021, the Company executed a definitive grant agreement with the Australian Government to assist with building a manufacturing facility. The grant has a total value of up to $4.7 million upon the achievement of certain milestones until March 28, 2024 (extended to March 28, 2025 on April 16, 2024). Proceeds from the grant will be used primarily to reimburse the Company for costs incurred in the construction of the manufacturing facility.

Accounting for the grant does not fall under ASC 606, *Revenue from Contracts with Customers*, as the Australian Government will not benefit directly from our manufacturing facility. As there is no authoritative guidance under US GAAP on accounting for grants to for-profit business entities, we applied International Accounting Standards (“IAS”) 20, *Accounting for Government Grants and Disclosure of Government Assistance*, by analogy when accounting for the Australian Government grant to the Company. Furthermore, disclosures made below are in accordance with the disclosure requirements of Accounting Standards Update (“ASU”) 2021-10, *Government Assistance (Topic 832), Disclosures by Business Entities about Government Assistance*.

The Australian Government grant proceeds, which will be used to reimburse construction costs incurred, meet the definition of grants related to assets as the primary purpose for the payments is to fund the construction of a capital asset. Pursuant to IAS 20, the Company has elected to record the grants received initially as deferred income and deduct the grant proceeds received from the gross costs of the assets or construction in progress (“CIP”) and the deferred grant income liability. A total of $568,678 and $543,410 was recognized as a reduction to the CIP asset on the consolidated balance sheets as of September 30, 2024 and June 30, 2024, respectively.

After initial recognition, under IAS 20, government grants are recognized in earnings on a systematic basis in a manner that mirrors the manner in which the Company recognizes the underlying costs for which the grant is intended to compensate. Pursuant to IS 20, the Company has elected to recognize government grant income separately within other income for operating expenditures. Similarly, for capital expenditures, the carrying amount of assets purchased or constructed out of the grant funds are presented net by deducting the grant proceeds received from the gross costs of the assets or CIP and deferred grant income liability. A total of $16,041 and $33,523 deferred grant income was recognized within other income during the three months ended September 30, 2024 and 2023, respectively.

b) R&D tax refund

The Company measures the R&D grant income and receivable by considering the time spent by employees on eligible R&D activities and R&D costs incurred to external service providers. The R&D tax refund receivable is recognized when it is probable that the amount will be recovered in full through a future claim. A total of $110,087 and $76,348 of R&D tax refund income was recognized in other income during the three months ended September 30, 2024, and 2023, respectively.

Development and regulatory approval expenses

Expenditure relating to R&D are expensed as incurred and recorded in development and regulatory approval in the consolidated statements of operations and other comprehensive income (loss). R&D expenses include external expenses incurred under arrangements with third parties; salaries and personnel-related costs; license fees to acquire in-process technology and other expenses. The Company recognizes the benefit of refundable R&D tax refunds as a R&D tax refund income when there is reasonable assurance that the amount claimed will be recovered.

Intellectual property acquired for a particular research and development project and that have no alternative future uses (in other research and development projects or otherwise) are expensed in research and development costs at the time the costs are incurred.

In certain circumstances, the Company may be required to make advance payments to vendors for goods or services that will be received in the future for use in R&D activities. In such circumstances, the non-refundable advance payments are deferred and capitalized, even when there is no alternative future use for the R&D, until the related goods or services are provided. In circumstances where amounts have been paid in excess of costs incurred, the Company records a prepaid expense.

Equity-Based Compensation

Equity-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as an expense on a straight-line basis over the requisite service period, based on the terms of the awards. The fair value of the stock-based payments to non-employees that are fully vested and non-forfeitable as at the grant date is measured and recognized at that date, unless there is a contractual term for services in which case such compensation would be amortized over the contractual term. To the extent possible, the Company will estimate and recognize expected forfeitures.

Employee benefits

The costs of short-term employee benefits are recognized as a liability and an expense unless those costs are required to be recognized as part of the cost of inventories or non-current assets. The cost of any unused holiday entitlement is recognized in the period in which the employee’s services are received. Termination benefits are recognized immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Income taxes

In accordance with the provisions of ASC 740, *Income Taxes*, tax positions initially need to be recognized in the consolidated financial statements when it is more likely than not that the positions will be sustained upon examination by taxing authorities. It also provides guidance for de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

As of September 30, 2024, the Company had no uncertain tax positions that qualified for either recognition or disclosure in the consolidated financial statements. Additionally, the Company had no interest and penalties related to income taxes.

The Company accounts for current and deferred income taxes and, when appropriate, deferred tax assets and liabilities are recorded with respect to temporary differences in the accounting treatment of items for financial reporting purposes and for income tax purposes. Where, based on the weight of all available evidence, it is more likely than not that some amount of the recorded deferred tax assets will not be realized, a valuation allowance is established for that amount that, in management's judgment, is sufficient to reduce the deferred tax asset to an amount that is more likely than not to be realized.

Net loss per share attributable to common shareholders ("EPS")

The Company calculates earnings per share attributable to common shareholders in accordance with ASC 260, *Earning Per Share*. Basic net loss per share attributable to common shareholders is calculated by dividing net loss attributable to common shareholders by the weighted average number of common stock outstanding during the period. Diluted net loss per common share is calculated by dividing net loss attributable to common shareholders by weighted average common stock outstanding during the period plus potentially dilutive common stock, such as share warrants.

Potentially dilutive common stock are calculated in accordance with the treasury share method, which assumes that proceeds from the exercise of all warrants are used to repurchase common stock at market value. The number of shares remaining after the proceeds are exhausted represents the potentially dilutive effect of the securities.

As the Company has incurred net losses in all periods, certain potentially dilutive securities, including convertible preferred stock and warrants to acquire common stock have been excluded in the computation of diluted loss per share as the effects are antidilutive.

Recent Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board, or FASB, issued Accounting Standards Update, or ASU, 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The ASU requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker, or CODM, and included within each reported measure of segment profit or loss. All disclosure requirements under ASU 2023-07 are required for public entities with a single reportable segment. The ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, on a retrospective basis, with early adoption permitted. The Company has completed its initial assessment of the impact of this new guidance and does not expect it to have a material impact on the Company's consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The ASU requires greater disaggregation of information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The ASU applies to all entities subject to income taxes and is intended to help investors better understand an entity's exposure to potential changes in jurisdictional tax legislation and assess income tax information that affects cash flow forecasts and capital allocation decisions. The ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The ASU should be applied on a prospective basis although retrospective application is permitted. We are currently evaluating the impact of this standard on our disclosures.

NOTE 4. SEGMENT INFORMATION

ASC 280, *Segment Reporting*, establishes standards for the manner in which companies report financial information about operating segments, products, services, geographic areas and major customers.

Our Segments

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources to an individual segment and in assessing performance. The Company's CODM is its Chief Executive Officer.

Following the acquisition of IFP, we conduct our business through two operating segments:

1) Commercially available Intelligent Fingerprinting Products (IFPG or IFPG segment)
2) Development Stage Biosensor Platform Technology (BPT segment)

The Company has determined it operates in two operating and reportable segments, as the CODM reviews financial information presented on a consolidated basis accompanied by disaggregated information about revenue and other income by product types for the purpose of allocating resources and evaluating financial performance. Currently, the Company has two products offerings.

The IFPG segment accounted for 100% of the Company's revenue during the three months ended September 30, 2024 and 2023.

The following tables set forth the Company's revenue, government support income, net loss and long-lived assets and inventories by operating and reportable segments.

A) Revenue, government support income and net loss

	Three Months Ended September 30, 2024		
	IFPG	BPT	Total
Revenue			
United Kingdom	$ 833,788	$ -	$ 833,788
Australia	580	-	580
Other	37,919	-	37,919
Total Revenue	$ 872,287	$ -	$ 872,287
Government Support Income			
United Kingdom	-	-	-
Australia	-	126,128	126,128
Total Government Support Income	$ -	$ 126,128	$ 126,128
Total Revenue and Government Support Income	$ 872,287	$ 126,128	$ 998,415
Net Loss	$ (1,465,185)	$ (1,229,614)	$ (2,694,799)

	Three Months Ended September 30, 2023		
	IFPG	BPT	Total
Revenue			
United Kingdom	$ 755,150	$ -	$ 755,150
Australia	8,082	-	8,082
Other	32,862	-	32,862
Total Revenue	$ 796,094	$ -	$ 796,094
Government Support Income			
United Kingdom	45,321	-	45,321
Australia	-	64,550	64,550
Total Government Support Income	$ 45,321	$ 64,550	$ 109,871
Total Revenue and Government Support Income	$ 841,415	$ 64,550	$ 905,965
Net Loss	$ (740,589)	$ (1,691,835)	$ (2,432,424)

B) Long-lived assets and inventories

	September 30, 2024		
	IFPG	BPT	Total
Long-lived assets, net			
United Kingdom	$ 4,611,041	$ -	$ 4,611,041
Australia	-	635,931	635,931
Total Long-Lived Assets	$ 4,611,041	$ 635,931	$ 5,246,972
Inventories, net			
United Kingdom	688,262	-	688,262
Australia	50,527	-	50,527
Total Inventories	$ 738,789	$ -	$ 738,789
Total Long-Lived Assets and Inventories, net	$ 5,349,830	$ 635,931	$ 5,985,761

	June 30, 2024		
	IFPG	BPT	Total
Long-lived assets, net			
United Kingdom	$ 4,626,798	$ -	$ 4,626,798
Australia	-	617,822	617,822
Total Long-Lived Assets	$ 4,626,798	$ 617,822	$ 5,244,620
Inventories, net			
United Kingdom	731,813	-	731,813
Australia	45,724	-	45,724
Total Inventories	$ 777,537	$ -	$ 777,537
Total Long-Lived Assets and Inventories, net	$ 5,404,335	$ 617,822	$ 6,022,157

NOTE 5. INVENTORIES, NET

Inventories consist of the following:

	September 30, 2024	June 30, 2024
Raw material & work-in-progress	$ 219,050	$ 188,693
Finished goods	519,739	588,844
Inventory, net	$ 738,789	$ 777,537

NOTE 6. INTANGIBLE ASSETS, NET

Intangible assets, net consist of the following as of September 30, 2024:

	Weighted average useful lives (years)	Acquisition cost	Effect of foreign currency	Accumulated amortization	Carrying value
Technology	7 years	$ 5,119,000	$ 935,983	$ 1,863,072	$ 4,191,911
Customer relationships	3 years	252,000	46,077	198,718	99,359
Trade names and trademarks	Indefinite	92,000	16,822	-	108,822
Total intangible assets		$ 5,463,000	$ 998,882	$ 2,061,790	$ 4,400,092

Intangible assets, net consist of the following as of June 30, 2024:

	Weighted average useful lives (years)	Acquisition cost	Effect of foreign currency	Accumulated amortization	Carrying value
Technology	7 years	$ 5,119,000	$ 593,026	$ 1,559,822	$ 4,152,204
Customer relationships	3 years	252,000	29,194	164,030	117,164
Trade names and trademarks	Indefinite	92,000	10,658	-	102,658
Total intangible assets		$ 5,463,000	$ 632,878	$ 1,723,852	$ 4,372,026

Intangibles assets recognized from the acquisition of IFP were allocated to the IFPG operating and reportable segment.

Expenses related to the amortization of intangible assets charged to the condensed consolidated statements of operations and other comprehensive income (loss) for the three months ended September 30, 2024 and 2023 was $235,464 and $243,153, respectively.

Amortization expense for the intangible assets is expected to be as follows over the next five years, and thereafter:

Fiscal year	Amount
Remainder of 2025	$ 703,306
2026	863,222
2027	838,382
2028	838,382
2029	838,382
Thereafter	209,596
Total	$ 4,291,270

There were no impairment charges related to intangible assets incurred in the periods presented.

NOTE 7. NOTE PAYABLE

As a result of the acquisition of IFP in October 2022, the Company assumed a note payable due to a distributor of IFP. The unpaid principal balance of the loan will accrue interest at a rate of 0.97% per annum. The balance is reduced by:

- Payments of 10% of the Company's monthly worldwide gross revenue received in the preceding month;
- 50% of sales by the Company to the distributor.

The classification of the notes payables is based on sales forecast prepared by the management.

NOTE 8. LEASES

The Company assumed a non-cancellable operating lease agreement in relation to the acquisition of IFP on October 4, 2022. Additionally, the Company also entered into another non-cancellable operating lease that commenced in May 2023. The leases have original lease periods expiring from August 2025 to April 2026. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The components of operating lease expense are as follows:

	Three Months Ended September 30,	
	2024	2023
Amortization of operating lease right-of-use assets	$ 61,489	$ 59,962
Interest on operating lease liabilities	12,734	21,171
Total lease costs	$ 74,223	$ 81,133

As of September 30, 2024, the weighted average remaining lease-term and discount rate on the Company's leases were 1.1 years and 13.2%, respectively.

As of June 30, 2024, the weighted average remaining lease-term and discount rate on the Company's leases were 1.3 years and 13.2%, respectively.

The reconciliation of the maturities of the operating leases to the operating lease liabilities recorded in the condensed consolidated balance sheet as of September 30, 2024, is as follows:

Fiscal year	Amount
Remainder of 2025	$ 246,773
2026	87,990
Total lease payments	334,763
Less: imputed interest	(25,087)
Present value of lease liabilities	$ 309,676

NOTE 9. SHAREHOLDERS' EQUITY

As of September 30, 2024, there were warrants outstanding to purchase 5,516,754 shares of common stock, held by certain shareholders. Each warrant initially represented the right to purchase one share of the Company's common stock and was subject to adjustment upon the occurrence of specified events including reverse stock splits.

The Company accounts for warrants in accordance with the guidance contained in ASC 815-40, Derivatives and Hedging - Contracts on an Entity's Own Equity, and determined that the warrants do not meet the criteria for liability treatment thereunder.

At The Market (ATM) Offering

On September 18, 2024, the Company entered into an At The Market Offering Agreement (the ATM Agreement) with Ladenburg. Pursuant to the terms of the ATM Agreement, the Company may sell from time to time through Ladenburg, as sales agent and/or principal, shares of the Company's common stock with an aggregate sales price of up to $3.0 million. During the period between September 18, 2024, through to September 30, 2024, the Company raised approximately $34,511 (net of commission) through the sale and issuance of 17,167 shares of Company common stock pursuant to the ATM Agreement. Any sale of shares pursuant to the ATM Agreement are made under the Company's effective "shelf" registration statement on Form S-3 (File No. 333-264218), which became effective on April 20, 2022, and included base prospectus, and under the related prospectus supplement filed with SEC dated September 18, 2024.

Advisory Agreement

On February 29, 2024, the Company entered into an Investor Relations and Corporate Development Advisory Agreement (the "ClearThink Agreement") with ClearThink Capital LLC ("ClearThink") pursuant to which ClearThink provides certain advisory and investor relations services to the Company. As consideration for such services, the Company agreed pay a fee consisting of: (a) an initial grant of 5,260 restricted shares of common stock (the "Initial Grant") and (b) a monthly fee consisting of (i) a cash fee of a $5,000 per month, and (ii) a grant of restricted common stock with a value of $4,000 per month ($12,000 per three-month period (a "Quarter")), with the number of shares of common stock in each such Quarterly issuance (each a "Quarterly Grant") calculated on the first business day of each Quarter based on the closing price of the Company's common stock on the last trading day of the immediately preceding Quarter. The ClearThink Agreement remains in effect until terminated by either party after three months from the effective date. For the three months ended September 30, 2024 and 2023, the Company recognized $12,000 and $0, respectively, of expense related to the ClearThink Agreement in the accompanying condensed consolidated statements of operations.

Stock-based payments under 2019 Stock Incentive Plan

On September 25, 2024, the Company granted its employees 99,500 shares of common stock as compensation. The Company recorded stock compensation expense of $190,045, based on a grant date fair value of $1.91 per share in the accompanying condensed consolidated statement of operations. All shares of common stock granted vested immediately.

NOTE 10. RELATED PARTY TRANSACTIONS

There were no related party transactions during the reporting period.

NOTE 11. COMMITMENTS AND CONTINGENCIES

On August 1, 2024, the Company signed an agreement with CenExel to perform a method comparison clinical study as part of the Company's FDA 510(k) clinical study plan. As a part of the agreement, the Company is committed to pay $381,204 on completion of certain milestones. As of September 30, 2024, $381,204 remains payable under the agreement.

The Company has no material purchase commitments. For commitments under non-cancellable leases, refer to Note 8.

From time to time, the Company may become a party to various legal proceedings arising in the ordinary course of business. Based on information currently available, the Company is not involved in any pending or threatened legal proceedings that it believes could reasonably be expected to have a material adverse effect on its financial condition, results of operations or liquidity. However, legal matters are inherently uncertain, and the Company cannot guarantee that the outcome of any potential legal matter will be favorable to the Company.

NOTE 12. LOSS PER SHARE

Basic loss per common share is computed by dividing net loss allocable to common shareholders by the weighted average number of shares of common stock or common stock equivalents outstanding. Diluted loss per common share is computed similar to basic loss per common share except that it reflects the potential dilution that could occur if dilutive securities or other obligations to issue common stock were exercised or converted into common stock.

	Three Months Ended September 30,	
	2024	2023
Net loss attributable to Intelligent Bio Solutions Inc.	$ (2,685,633)	$ (2,425,204)
Basic and diluted net loss per share attributed to common shareholders	$ (0.70)	$ (12.48)
Weighted average number of shares outstanding	3,811,090	194,200

The following outstanding warrants were excluded from the computation of diluted net loss per share for the periods presented because their effect would have been anti-dilutive:

	September 30,	
	2024	2023*
Warrants	5,516,754	35,547

* The warrants have been adjusted to give effect to 1-for-12 reverse stock split effected on January 26, 2024.

NOTE 13. SUBSEQUENT EVENTS

No material subsequent events have taken place that require disclosure in this financial report noted between September 30, 2024, and the date of this report.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our audited historical consolidated financial statements, which are included in our Annual Report on Form 10-K for fiscal 2024 and our unaudited condensed consolidated financial statements for the fiscal quarter ended September 30, 2024, included elsewhere in this Quarterly Report on Form 10-Q. This Management's Discussion and Analysis of Financial Condition and Results of Operations contains statements that are forward-looking. These statements are based on current expectations and assumptions that are subject to risks, uncertainties, and other factors. Actual results could differ materially because of the factors discussed below or elsewhere in this Quarterly Report on Form 10-Q. See Part II, Item 1A. "Risk Factors" of this Quarterly Report on Form 10-Q and Part I, Item 1A. "Risk Factors" of the 2024 Form 10-K.

Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with US GAAP, we present "contribution margin" and "contribution margin %", which are non-GAAP financial measures. Contribution margin and contribution margin % are presented in the section titled "Contribution Margin (non-GAAP)". We have also included reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures.

These non-GAAP financial measures are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with US GAAP. These measures may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparison purposes. Moreover, presentation of contribution and contribution margin is provided for year-over-year comparison purposes. We believe these non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating our business.

Forward-Looking Information

All statements other than statements of historical fact or relating to present facts or current conditions included in this Quarterly Report on Form 10-Q are forward-looking statements. Forward-looking statements include, but are not limited to, statements regarding expectations, hopes, beliefs, intentions, or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. These statements may include words such as "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "should," "can have," "likely" and the negative of such words and other words and terms of similar meaning, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on our current expectations and beliefs concerning future developments and their potential effects on us. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in "Item 1A — Risk Factors" of this Quarterly Report on Form 10-Q and in our 2024 Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this Quarterly Report on Form 10-Q may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Except as required by the federal securities laws, we are under no duty to update any of these forward-looking statements after the date of this Quarterly Report on Form 10-Q or to conform these statements to actual results or revised expectations.

Overview

Intelligent Bio Solutions Inc. and its wholly owned Delaware subsidiary, GBS Operations Inc., were each formed on December 5, 2016, under the laws of the state of Delaware. The Company's Australian subsidiary, Intelligent Bio Solutions (APAC) Pty Ltd, was formed on August 4, 2016, under the laws of New South Wales, Australia and was renamed to Intelligent Bio Solutions (APAC) Pty Ltd on January 6, 2023. On October 4, 2022, INBS acquired Intelligent Fingerprinting Limited ("IFP"), a company registered in England and Wales. The Company's headquarters are in New York, New York.

Intelligent Bio Solutions Inc. is a medical technology company focused on developing and delivering intelligent, rapid, non-invasive testing and screening solutions. The Company operates globally with the objective of providing innovative and accessible solutions that improve the quality of life.

The Company's current product portfolio includes:

- **Intelligent Fingerprinting Platform:** A proprietary portable platform that analyzes fingerprint sweat using a one-time cartridge and portable handheld reader. The flagship product from this platform, which is commercially available in certain countries outside of the United States, is the Intelligent Fingerprinting Drug Screening System (the "IFP System" or "IFP Products"), a two-part system that consists of non-invasive, fingerprint sweat-based diagnostic testing products designed to detect drugs of abuse including opiates, cocaine, methamphetamines, benzodiazepines, cannabis, methadone, and buprenorphine. The system comprises a small, tamper-evident drug screening cartridge onto which ten fingerprint sweat samples are collected in under a minute before the portable analysis unit provides an on-screen result in under ten minutes. Samples collected with a confirmatory kit can also be sent to a third-party laboratory service provider for confirmation testing. Customers include safety-critical industries such as construction, transportation and logistics, manufacturing, engineering, drug treatment organizations in the rehabilitation sector, and judicial organizations.

- **The Biosensor Platform** – A biosensor platform we refer to as the Biosensor Platform Technology ("BPT"), or simply the "Biosensor Platform," consists of a small, printable modified organic thin-film transistor strip that we license across the Asia Pacific Region ("APAC Region") from Life Science Biosensor Diagnostics Pty Ltd ("LSBD" or "Licensor"). The Biosensor Platform is designed to detect multiple biological analytes by substituting the top enzyme layer of the biosensor to suit each analyte. This platform technology has the potential to develop a range of Point of Care Tests ("POCT"), including the modalities of clinical chemistry, immunology, tumor markers, allergens, and endocrinology. We understand that following the appointment of a liquidator to LSBD, the intellectual property rights licensed by us from the Licensor (LSBD) have reverted to the University of Newcastle. The Company is in early-stage discussions regarding the potential restructuring of future licensing of BPT and products with the University of Newcastle. A timeline for these discussions has not yet been established.

Highlights of Achievements

Our major achievements through the three months ended September 30, 2024:

- On September 27, 2024, the Company announced the successful completion of in-clinic testing proposed to the FDA earlier this year in the Company's clinical study plan. The clinical studies are a key element of the Company's 510(k) submission, designed to demonstrate the accuracy and reliability of its sweat-based testing method.

- The Company secured 22 new accounts throughout the quarter, adding to its 400+ active customer accounts in 19 countries.

- On August 01, 2024, the Company announced its partnership with CenExcel to perform a method comparison study as part of the Company's FDA 510(k) clinical study plan.

- On July 24, 2024, the Company announced QabasTech as its exclusive distributor in Saudi Arabia, marking further growth for the Company in the country.

- On July 18, 2024, the Company announced the successful completion of biocompatibility testing of its Intelligent Fingerprinting Drug Screening System, a pivotal phase in the clinical study plan required for FDA 510(k) regulatory clearance.

Results of Operations

Comparison of the Three Months Ended September 30, 2024 and 2023

	Three months ended September 30,	
	2024	2023
Revenue	$ 872,287	$ 796,094
Cost of revenue (exclusive of amortization shown separately below)	(525,486)	(563,763)
Gross profit	346,801	232,331
Other income:		
Government support income	126,128	109,871
Operating expenses:		
Selling, general and administrative expenses	(1,949,016)	(2,457,060)
Development and regulatory approval expenses	(948,752)	(103,947)
Depreciation and amortization	(300,422)	(307,560)
Total operating expenses	(3,198,190)	(2,868,567)
Loss from operations	(2,725,261)	(2,526,365)
Other income (expense), net:		
Interest expense	(22,327)	(37,448)
Realized foreign exchange loss	(51)	-
Fair value gain on revaluation of financial instrument	-	131,250
Interest income	52,840	139
Total other income, net	30,462	93,941
Net loss	(2,694,799)	(2,432,424)
Net loss attributable to non-controlling interest	(9,166)	(7,220)
Net loss attributable to Intelligent Bio Solutions Inc.	$ (2,685,633)	$ (2,425,204)
Other comprehensive income (loss), net of tax:		
Foreign currency translation gain / (loss)	216,355	(18,016)
Total other comprehensive income / (loss)	216,355	(18,016)
Comprehensive loss	(2,478,444)	(2,450,440)
Comprehensive loss attributable to non-controlling interest	(9,166)	(7,220)
Comprehensive loss attributable to Intelligent Bio Solutions Inc.	(2,469,278)	(2,443,220)
Net loss per share, basic and diluted*	$ (0.70)	$ (12.48)
Weighted average shares outstanding, basic and diluted *	3,811,090	194,200

* Common stock and per share amount have been retroactively adjusted to reflect the decreased number of shares resulting from a 1-for-12 reverse stock split effected on January 26, 2024, throughout the condensed consolidated financial statements unless otherwise stated.

Revenue

Sales of goods

Revenue from sales of goods increased by $76,193 to $872,287 from $796,094 for the three months ended September 30, 2024, compared to same period in 2023. This is due to the expansion of the customer base, both in the pre-existing markets and expansion into new regions. We expect this trend to continue as we expand into new markets in the future.

Revenue from the IFPG segment relates to the sale of readers, cartridges and other sales which represents accessories and is summarized as follows:

	Three Months Ended September 30,	
	2024	2023
Sales of goods - cartridges	$ 448,514	$ 380,059
Sales of goods - readers	233,786	238,802
Other sales	189,987	177,233
Total revenue	$ 872,287	$ 796,094

Cost of revenue

Cost of revenue decreased by $38,277 to $525,486 from $563,763 for the three months ended September 30, 2024, compared to same period in 2023. The decrease in cost of revenue is mainly due to decrease in direct labor direct overhead cost. The cost of revenue relates to direct labor, direct material costs and direct overhead costs incurred in the production of the goods. The following table shows the composition of cost of revenue.

	Three Months Ended September 30,	
	2024	2023
Direct material cost	$ 307,688	$ 263,899
Direct labor cost	204,934	284,681
Direct overhead cost	12,864	15,183
Total cost of revenue	**$ 525,486**	**$ 563,763**

Gross profit

	Three Months Ended September 30,	
	2024	2023
Revenue	$ 872,287	$ 796,094
Direct material cost	(307,688)	(263,899)
Direct labor cost	(204,934)	(284,681)
Direct overhead cost	(12,864)	(15,183)
Cost of revenue	(525,486)	(563,763)
Gross profit	$ 346,801	$ 232,331
Gross profit margin	39.76%	29.18%

Gross profit is primarily attributable to the IFPG segment. Gross profit increased by $114,470 to $346,801 from $232,331 for the three months ended September 30, 2024, compared to same period in 2023. This has been driven by increased revenue from acquiring new customers, improved production capacity and decrease in direct labor and direct overhead cost.

Contribution margin (non-GAAP)

	Three Months Ended September 30,	
	2024	2023
Revenue	$ 872,287	$ 796,094
Direct material cost	(307,688)	(263,899)
Contribution margin (non-GAAP)	$ 564,599	$ 532,195
Contribution margin % (non-GAAP)	64.73%	66.85%

Contribution margin (non-GAAP)

Contribution margin, which is a non-GAAP measure of our financial performance, increased by $32,404 to $564,599 from $532,195 for the three months ended September 30, 2024, compared to same period in 2023. This has been driven by increased revenue from acquiring new customers.

Reconciliation of contribution margin (non-GAAP)

	Three Months Ended September 30,	
	2024	2023
Revenue (GAAP)	**$ 872,287**	**$ 796,094**
Total cost of revenue (GAAP)	$ 525,486	$ 563,763
Less: Direct labor cost	(204,934)	(284,681)
Less: Direct overhead cost	(12,864)	(15,183)
Direct material cost	**$ 307,688**	**$ 263,899**
Contribution margin (non-GAAP)	**$ 564,599**	**$ 532,195**

Contribution margin % (non-GAAP)	**64.73%**	**66.85%**

Government support income

Government support income increased by $16,257 to $126,128 from $109,871 for the three months ended September 30, 2024, compared to same period in 2023. This increase was primarily attributable to amounts spent on qualifying research and development expenditure for research and development government subsidies.

The grant support income is primarily attributable to INBS's subsidiary companies recognizing an R&D tax refund as the Company believes that it is probable that the amount will be recovered in full through a future claim (see Note 3 to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q for further information and disclosures relating to R&D tax refund).

Operating expenses

Selling, general and administrative expenses

Selling, general and administrative expenses decreased by $508,044 to $1,949,016 from $2,457,060 for the three months ended September 30, 2024, compared to the same period in 2023. This decrease is primarily due to a reduction in legal, insurance, consultancy and other general overhead costs.

Development and regulatory expenses

Development and regulatory expenses increased by $844,805 to $948,752 from $103,947 for the three months ended September 30, 2024, compared to the same period in 2023.

This increase is primarily driven by the amounts spent on in-house R&D staff and timing of R&D work performed by the research partners. During the three months ended September 30, 2024, the Company partnered with CenExel, a nationwide clinical research site network, to perform a method comparison clinical study as part of the Company's FDA 510(k) clinical study plan.

As the Company continues its FDA 501(k) clinical study plan, we expect development and regulatory expenses to increase in future periods.

Depreciation and amortization

Depreciation and amortization decreased by $7,138 to $300,422 from $307,560 for the three months ended September 30, 2024, compared to same period in 2023. This decrease is mainly due to favorable exchange rate for conversion of the account balances.

Other income and expenses

Interest expense

Interest expense decreased by $15,121 to $22,327 from $37,448 for the three months ended September 30, 2024, as compared to the same period in 2023. This decrease was attributable to the reduction of interest expense recorded for leased assets and notes payable.

Fair value gain on revaluation of financial instruments

The fair value gain on revaluation of financial instruments decreased by $131,250 to $0 from $131,250 for the three months ended September 30, 2024, as compared to the same period in 2023. This decrease is due to the revaluation gain on contingent consideration for holdback Series C Preferred Stock resulting from the acquisition of IFP. The holdback Series C Preferred Stock shares were converted into common stock in October 2023.

Interest income

Interest income increased by $52,701 to $52,840 from $139 for the three months ended September 30, 2024, as compared to the same period in 2023. This increase was attributable to funds received from capital raising activities, which contributed to the balance on which interest was earned.

Income tax (expense) benefit

There was no income tax expense for both the three months ended September 30, 2024, and 2023, respectively, as the Company has established a full valuation allowance for all its deferred tax assets.

Other comprehensive income

Foreign currency translation gain / (loss)

Unrealized foreign currency translation gain increased by $234,371 to a gain of $216,355 from a loss of $18,016 for the three months ended September 30, 2024, compared to the same period in 2023. This is due to the favorable exchange rate calculated based on the Company's unsettled transactions in currencies other than its functional currency and translation of assets and liabilities of foreign subsidiaries in reporting currency.

Net loss attributable to INBS

Net loss attributable to the Company increased by $260,429 to $2,685,633 from $2,425,204 for the months ended September 30, 2024, compared to the same period in 2023. This increase is primarily driven by the Company's investment in R&D work required for its FDA 510(k) clinical study plan and planned submission in the fourth quarter of this calendar year. FDA clearance would enable INBS to introduce its drug screening technology to the United States market in the 2025 calendar year.

Liquidity and Capital Resources

We use working capital and cash measures to evaluate the performance of our operations and our ability to meet our financial obligations. We define Working Capital as current assets less current liabilities. This measure should not be considered in isolation or as a substitute for any standardized measure under US GAAP. This information is intended to provide investors with information about our liquidity. Other companies in our industry may calculate this measure differently than we do, limiting its usefulness as a comparative measure.

Since our inception, our operations have primarily been financed through the issuance of our common stock, redeemable convertible preferred stock, and the incurrence of debt. As of September 30, 2024, we had $3,989,431 in cash and cash equivalents and working capital of $800,112.

On September 18, 2024, the Company entered into an At The Market Offering Agreement (the ATM Agreement) with Ladenburg. Pursuant to the terms of the ATM Agreement, the Company may sell from time to time through Ladenburg, as sales agent and/or principal, shares of the Company's common stock with an aggregate sales price of up to $3.0 million. During the period between September 18, 2024, through to September 30, 2024, the Company raised approximately $34,511 (net of commission) through the sale and issuance of 17,167 shares of Company common stock pursuant to the ATM Agreement. Any sale of shares pursuant to the ATM Agreement are made under the Company's effective "shelf" registration statement on Form S-3 (File No. 333-264218), which became effective on April 20, 2022, and included base prospectus, and under the related prospectus supplement filed with SEC dated September 18, 2024.

The Company expects that its cash and cash equivalents as of September 30, 2024, may be insufficient to allow the Company to fund its current operating plan through at least the next twelve months from the issuance of these unaudited condensed consolidated financial statements. These conditions raise substantial doubt about the Company's ability to continue as a going concern for a period of at least one year from the date these unaudited condensed consolidated financial statements are issued. There can be no assurance that, in the event that the Company requires additional financing, such financing may be available on terms which are favorable to us, or at all.

In the event we require additional capital, there can be no assurances that we will be able to raise such capital on acceptable terms, or at all. Failure to generate sufficient revenues or raise additional capital through debt or equity financings, or through collaboration agreements, strategic alliances or marketing and distribution arrangements, could have a material adverse effect on our ability to meet our long-term liquidity needs and achieve our intended long-term business plan. Our failure to obtain such funding when needed could create a negative impact on our stock price or could potentially lead to a reduction in our operations or the failure of our Company. Accordingly, these factors raise substantial doubt about the Company's ability to continue as a going concern unless it can successfully raise additional capital.

As of September 30, 2024, and June 30, 2024, we did not have any off-balance sheet arrangements.

Extended Transition Period for "Emerging Growth Companies"

We have elected to use the extended transition period for complying with new or revised accounting standards under Section 102(b)(1) of the JOBS Act. This election allows us to delay the adoption of new or revised accounting standards that have different effective dates for public and private companies until those standards apply to private companies. As a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates. Because our financial statements may not be comparable to companies that comply with public company effective dates, investors may have difficulty evaluating or comparing our business, performance or prospects in comparison to other public companies, which may have a negative impact on the value and liquidity of our common stock.

Critical Accounting Estimates

The preparation of our consolidated financial statements in conformity with US GAAP requires management to make judgments, estimates and assumptions that impact the amounts reported in our consolidated financial statements and accompanying notes that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

A summary of our significant accounting policies is included in Note 3 "Summary of significant accounting policies" to the accompanying unaudited condensed consolidated financial statements. Certain of our accounting policies are considered critical, as these policies require significant, difficult or complex judgments by management, often requiring the use of estimates about the effects of matters that are inherently uncertain. Our critical policies are summarized in Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended June 30, 2024.

Recently issued Accounting Pronouncements

For the impact of recently issued accounting pronouncements on the Company's unaudited condensed consolidated financial statements, see Note 3 to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q and incorporated herein by reference.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Principal Executive Officer and Principal Financial and Accounting Officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2024. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act, as amended (the "Exchange Act"), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on the evaluation of our disclosure controls and procedures as of September 30, 2024, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were ineffective due to the material weakness in internal control over financial reporting discussed below.

Notwithstanding this conclusion, we believe that our consolidated financial statements and other information contained in this quarterly report on Form 10-Q present fairly, in all material respects, our business, financial condition and results of operations for the periods presented.

Material Weakness

In its assessment of the effectiveness of internal control over financial reporting as of September 30, 2024, management identified material weaknesses in control environment, risk assessment, control activities, information and communication and monitoring. Specifically, the material weaknesses identified relate to the fact that the Company has not yet designed and maintained an effective control environment commensurate with its financial reporting requirements, including (a) has not yet completed formally documenting policies and procedures with respect to review, supervision and monitoring of the Company's accounting and reporting functions, (b) lack of evidence to support the performance of controls and the adequacy of review procedures, including the completeness and accuracy of information used in the performance of controls and (c) we have limited accounting personnel and other supervisory resources necessary to adequately execute the Company's accounting processes and address its internal controls over financial reporting.

Ongoing Remediation Plan

Management is committed to continuing the steps necessary to remediate the control deficiencies that constituted the above material weaknesses. Since our initial public offering ("IPO"), which we completed in December 2020, we made the following enhancements and continue to make progress to enhance our control environment:

- We added accounting and finance personnel to provide additional individuals to allow for segregation of duties in the preparation and review of schedules, calculations and journal entries that support financial reporting, to provide oversight, structure and reporting lines to provide additional review over our disclosures;

- We enhanced our controls to improve the preparation and review of complex accounting measurements, the application of US GAAP to significant accounts and transactions and our financial statement disclosures;

- We engage independent experts when complex transactions are entered into;

- We have recruited and plan to recruit additional financial reporting and accounting personnel with adequate knowledge of US GAAP and SEC rules; and

- We are in the process of engaging outside consultants to assist us in our evaluation of the design, implementation and documentation of internal controls that address the relevant risks, to provide appropriate evidence of performance of our internal controls (including completeness and accuracy procedures).

Under the direction of the Audit Committee of our board of directors, management will continue to take measures to remediate the material weaknesses. As such, we will continue to enhance corporate oversight over process-level controls and structures to ensure that there is an appropriate assignment of authority, responsibility and accountability to enable remediation of our material weakness.

As we continue to evaluate, and work to improve, our internal control over financial reporting, management may determine that additional measures to address control deficiencies or modifications to the remediation plan are necessary.

Changes in Internal Control Over Financial Reporting

Other than the ongoing remediation effort, described above, there have been no changes to the Company's internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d 15(f) under the Exchange Act) during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitation on the Effectiveness of Internal Controls

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the internal control system are met. Because of the inherent limitations of any internal control system, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be subject to legal proceedings and claims arising in the ordinary course of business. We are not currently engaged in any material legal proceedings.

ITEM 1A. RISK FACTORS

As of the date of this Quarterly Report on Form 10-Q, there have been no material changes to the risk factors disclosed in our Annual Report on Form 10-K filed with the SEC on September 18, 2024, except for risks described below. Any of those risk factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations. We may disclose changes to such factors or disclose additional factors from time to time in our future filings with the SEC.

We may need to raise additional capital to fund our operations in the future. If we are unsuccessful in attracting new capital, we may not be able to continue operations or may be forced to sell assets to do so. Alternatively, capital may not be available to us on favorable terms, or at all. If available, financing terms may lead to significant dilution of our stockholders' equity.

We are not profitable and have had negative cash flow from operations since our inception. To fund our operations and to develop and commercialize our products (including the BPT and planned applications of IFP Drug Screening System), we have relied primarily on equity and some debt financing and government support income. The Company believes there is material risk that its cash and cash equivalents as of September 30, 2024, of $3,989,431 may be insufficient to allow the Company to fund its current operating plan through at least the next twelve months from the issuance of its unaudited condensed consolidated financial statements for the fiscal quarter ended September 30, 2024. These conditions raise substantial doubt about the Company's ability to continue as a going concern for a period of at least one year from the date these unaudited condensed consolidated financial statements were issued. Accordingly, the Company may be required to raise additional funds during the next 12 months. However, there can be no assurance that when the Company requires additional financing, such financing will be available on terms which are favorable to the Company, or at all. If the Company is unable to raise additional funding to meet its working capital needs in the future, it will be forced to delay or reduce the scope of its research programs and/or limit or cease its operations. In addition, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

To obtain the additional capital necessary to fund our operations, we expect to finance our cash needs through public or private equity offerings, debt financing and/or other capital sources. Even if capital is available, it might be available only on unfavorable terms. Any additional equity or convertible debt financing into which we enter could be dilutive to our existing stockholders. Any future debt financing into which we enter may impose covenants upon us that restrict our operations, including limitations on our ability to incur liens or additional debt, pay dividends, repurchase our stock, make certain investments and engage in certain merger, consolidation or asset sale transactions. Any debt financing or additional equity that we raise may contain terms that are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, we may need to relinquish rights to our technologies or our products or grant licenses on terms that are not favorable to us. If access to sufficient capital is not available as and when needed, our business will be materially impaired and we may be required to cease operations, curtail one or more product development or commercialization programs, scale back or eliminate the development of business opportunities, or significantly reduce expenses, sell assets, seek a merger or joint venture partner, file for protection from creditors or liquidate all of our assets. Any of these factors could harm our operating results.

If we are unable to achieve certain agreed milestones for the government grant, we received, we may become liable to refund the grant we received. The Company has only completed 4 of the 8 agreed milestones set forth in the Company's grant agreement with the Australian Government.

On April 16, 2024, the Australian Government Department of Industry, Science and Resources provided an extension to complete the project by March 28, 2025, with certain modification in project costs. If we are unable to achieve the agreed milestones by the extended date, we may become liable to refund the grant we received.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Other than any sales previously reported in the Company's Current Reports on Form 8-K, the Company did not sell any unregistered securities during the period covered by this report.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the period covered by this Quarterly Report on Form 10-Q, none of the Company's directors or executive officers has adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended).

ITEM 6. EXHIBITS

Exhibit No.	Description
31.1#	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2#	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1#	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2#	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS#	Inline XBRL Instance Document.
101.SCH#	Inline XBRL Taxonomy Extension Schema Document.
101.CAL#	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF#	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB#	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE#	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104#	Cover Page Interactive Data File (formatted in XBRL and included in Exhibit 101).

Filed herewith.

SIGNATURES

Pursuant to the requirements of the Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	Intelligent Bio Solutions Inc.
Date: November 7, 2024	By: */s/ Harry Simeonidis* HARRY SIMEONIDIS CHIEF EXECUTIVE OFFICER AND PRESIDENT (Principal Executive Officer)
Date: November 7, 2024	By: */s/ Spiro Sakiris* SPIRO SAKIRIS CHIEF FINANCIAL OFFICER (Principal Financial Officer)

Exhibit 31.1

OFFICER'S CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, *Harry Simeonidis*, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Intelligent Bio Solutions Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 7, 2024

/s/ Harry Simeonidis

Harry Simeonidis, Chief Executive Officer and President
(Principal Executive Officer)

Exhibit 31.2

OFFICER'S CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Spiro Sakiris, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Intelligent Bio Solutions Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 7, 2024

/s/ Spiro Sakiris

Spiro Sakiris, Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, of Intelligent Bio Solutions Inc. (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Harry Simeonidis, the Chief Executive Officer and President of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C 78m or 78o(d)); and

- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 7, 2024

/s/ Harry Simeonidis

Harry Simeonidis
Chief Executive Officer and President
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Intelligent Bio Solutions Inc. and will be retained by Intelligent Bio Solutions Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, of Intelligent Bio Solutions Inc. (the “Company”), as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Spiro Sakiris, the Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C 78m or 78o(d)); and

- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 7, 2024

/s/ Spiro Sakiris
Spiro Sakiris
Chief Financial Officer
(Principal Financial and Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to Intelligent Bio Solutions Inc. and will be retained by Intelligent Bio Solutions Inc. and furnished to the Securities and Exchange Commission or its staff upon request.