

## Update for the Quarter Ending 31 March 2018

**Brisbane, Australia, 30 April 2018** -- ResApp Health Limited (ASX:RAP), a leading digital health company developing smartphone applications for the diagnosis and management of respiratory disease, is pleased to provide an update on the company's activities during the quarter ending 31 March 2018.

Tony Keating, CEO and Managing Director of ResApp commented on the quarter, "The start of recruitment in our US SMARTCOUGH-C-2 clinical study this quarter was a significant milestone. Recruitment in the study remains on-track with full recruitment expected in the middle of this calendar year. Our other clinical programs are also progressing to plan and we are excited about the commercial opportunity that our newly-announced obstructive sleep apnoea program brings."

### **US SMARTCOUGH-C-2 Clinical Study**

ResApp's prospective, multi-site, double-blind study evaluating the efficacy of its ResAppDx smartphone application for the diagnosis of childhood respiratory disease is actively recruiting patients at three hospitals in the United States. The first patient was enrolled in January and on the 9<sup>th</sup> of March ResApp announced that it had recruited 640 patients. Recruitment is on-track to complete in the middle of this calendar year, with a target of 1,667 patients. As the study progresses, independent quality assurance of the cough audio recordings is regularly being performed on-site and a sample of audio recordings are also regularly being reviewed directly by ResApp.

### **Australian Breathe-Easy Clinical Study**

Adults and children continue to be recruited in the Breathe-Easy Australian clinical study. As announced in September 2017, this study has been switched to a prospective, double-blind study to directly support European (CE) and Australian (TGA) regulatory filings. The study has been recruiting well with target patient numbers expected to be reached and results reported before the middle of this calendar year.

### **Obstructive Sleep Apnoea**

Subsequent to the end of the quarter, ResApp announced preliminary results from a proof-of-concept study in obstructive sleep apnoea (OSA). Sleep apnoea affects more than three in ten men and nearly two in ten women, with 80% of those suffering moderate and severe sleep apnoea being undiagnosed. Preliminary results from a newly-developed sound-based algorithm showed 86% sensitivity and 83% specificity for identifying moderate and severe OSA using only a smartphone. The company is now recruiting patients for a prospective analysis and is targeting a regulatory submission before the end of this calendar year.



### **Partnerships**

Subsequent to the end of the quarter, ResApp announced that it had signed a letter of intent with a German private hospital network to run a pilot project to test the applicability and integration of ResAppDx within a German hospital environment. This project will provide the company with a unique opportunity to work closely with European clinicians and hospital executives, providing ResApp with invaluable insight into European clinical practice and hospital operations.

### **Financials**

With \$4.3 million cash at the end of the quarter, ResApp is well-funded to execute its clinical strategy. Subsequent to the end of the quarter, ResApp received a cash rebate of \$689,056 from its R&D tax incentive claim for the financial year ending 30 June 2017 further strengthening its financial position.

### **About ResApp Health Limited**

ResApp Health Limited (ASX: RAP) is a digital health company developing smartphone applications for the diagnosis and management of respiratory disease. ResApp's machine learning algorithms use sound to diagnose and measure the severity of respiratory conditions without the need for additional hardware. Adult and paediatric clinical studies underway at leading hospitals in the United States and Australia have demonstrated accurate diagnosis of pneumonia, asthma/reactive airway disease, bronchiolitis, croup, chronic obstructive pulmonary disease and upper respiratory tract infections. ResApp has also obtained excellent results for screening of obstructive sleep apnoea in a proof-of-concept clinical study. Potential customers of ResApp's products include healthcare providers in telehealth, emergency department, urgent care and primary care settings as well as humanitarian organisations in the developing world.

For more information on ResApp, visit [www.resapphealth.com.au](http://www.resapphealth.com.au)

### **Contacts**

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## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

**ResApp Health Limited**

**ABN**

**51 094 468 318**

**Quarter ended ("current quarter")**

**31 March 2018**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(905)	(2,600)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing (see note 4)	-	8
(d) leased assets	-	-
(e) staff costs	(440)	(1,276)
(f) administration and corporate costs	(161)	(977)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	74
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – R&D rebate	-	516
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,504)</b>	<b>(4,258)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.2</b> Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.3</b> Cash flows from loans to other entities	-	-
<b>2.4</b> Dividends received (see note 3)	-	-
<b>2.5</b> Other (provide details if material)	-	-
<b>2.6</b> <b>Net cash from / (used in) investing activities</b>	-	-

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(6)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10</b> <b>Net cash from / (used in) financing activities</b>	-	(6)

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	5,795	8,555
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,504)	(4,258)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	(6)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>4,291</b>	<b>4,291</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	4,291	5,795
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,291</b>	<b>5,795</b>

**6. Payments to directors of the entity and their associates**

<b>Current quarter \$A'000</b>
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6.1 Aggregate amount of payments to these parties included in item 1.2

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6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

- |   |
|---|
| <ol style="list-style-type: none"> <li>1. Director fees, salary and super; and</li> <li>2. Consultancy fees.</li> </ol> |
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**7. Payments to related entities of the entity and their associates**

<b>Current quarter \$A'000</b>
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7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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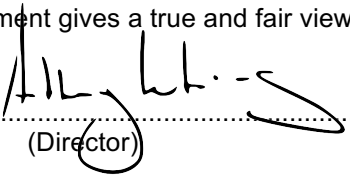
9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	(1,283)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	(502)
9.6 Administration and corporate costs	(223)
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>(2,008)</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

  
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(Director)

Date: 30 April 2018

Print name: Tony Keating

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.