

Update for the Quarter Ending 31 March 2019

Brisbane, Australia, 30 April 2019 – 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 third quarter of the financial year, ending March 31, 2019.

"Efforts during the third quarter focused on our FDA De Novo submission for ResAppDx-US and our Australian adult pivotal clinical study," said Tony Keating, CEO and Managing Director of ResApp. "We were pleased to announce the submission of our De Novo application to the FDA in early April, which marked a significant step towards the launch of our first product in the US. In April we also received positive pivotal clinical study results, supporting the commercialisation of our acute diagnostic and disease management tools for adults. We now have a portfolio of products verified by compelling clinical data, which will provide enormous commercial opportunities for ResApp."

Associate Professor Udantha Abeyratne, Chief Scientist at ResApp, added, "From the first results obtained at The University of Queensland with funding from the Bill and Melinda Gates Foundation, to these recent pivotal adult study results, we have demonstrated the versatility of our algorithms in diagnosing a wide range of respiratory diseases, in patients ranging from children to the elderly. We are now at a very exciting time when, following regulatory approval, we have the potential to make a positive impact on healthcare globally – from remote resource-poor regions to the urban heartlands of developed nations."

Recent Highlights and Outlook

- **Submitted De Novo application to US FDA for ResAppDx-US.** In April, ResApp announced that it had submitted an application to the US Food and Drug Administration (FDA) for De Novo classification of ResAppDx-US. ResAppDx-US is a mobile software application intended to be used by clinicians as an aid in the diagnosis of primary upper respiratory tract disease, lower respiratory tract disease and asthma/reactive airway disease in infants and children. ResAppDx-US has the potential to improve diagnostic accuracy, shorten time to treatment and improve access to diagnostic testing, all using only a smartphone. ResApp submitted a CE Mark Technical File for European approval of ResAppDx-EU in late December 2018.
- **Positive results from Australian adult pivotal study.** In April, ResApp announced that it had received positive top-line results from its Australian double-blind, prospective clinical study in adults. ResApp's smartphone-based algorithms were found to accurately diagnose acute respiratory disease – achieving greater than 86% positive and negative percent agreement for lower respiratory tract disease and pneumonia compared with clinical diagnosis. The study also demonstrated that ResApp's algorithms accurately identified acute exacerbations in patients with a history of chronic obstructive pulmonary disease (COPD) or

asthma and were able to accurately screen for COPD in a broad population. ResApp plans to use this data to support CE and TGA submissions.

- **Results from Australian paediatric study accepted for publication in peer-reviewed journal.** A publication titled, “A prospective multicentre study testing the diagnostic accuracy of an automated cough sound centred analytic system for the identification of common respiratory disorders in children” has been accepted for publication by the peer-reviewed medical journal Respiratory Research. The publication summarises results from the Australian Breathe Easy pivotal study, a prospective, multi-centre study which compared the diagnosis of paediatric respiratory illness using ResApp’s cough-based algorithms to clinical diagnosis. The study analysed 585 subjects aged 29 days to 12 years of age. The positive percent and negative percent agreement values between the algorithms and the clinical reference were as follows: asthma (97%, 91%); pneumonia (87%, 85%); lower respiratory tract disease (83%, 82%); croup (88%, 86%); bronchiolitis (84%, 81%). Data from ResApp’s SMARTCOUGH-C-2 paediatric pivotal study will also be presented at the American Thoracic Society (ATS) 2019 International Conference, May 17-22nd in Dallas, Texas.
- **Received R&D Advanced/Overseas Finding from AusIndustry.** In March, ResApp announced that it received approval from AusIndustry for its application for an Advanced/Overseas Finding in respect to expenditure associated with US-based clinical studies. The finding covers financial years 2017/18, 2018/19 and 2019/20 and means that eligible overseas research and development expenditure will be subject to a 43% cash rebate under the Australian Federal Government’s R&D Tax Incentive Program.
- **Strong balance sheet to advance ResApp through commercialisation.** The Company held cash of \$5.3 million as of March 31, 2019 and is well-funded to execute its clinical and commercialisation strategy. In addition to this cash, ResApp has now submitted its tax return for the financial year ended 30 June 2018 and estimates that it will receive an R&D rebate of approximately \$1.7 million for that financial year.

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About ResApp Health Limited

ResApp Health Limited (ASX: RAP) is a leading 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. Clinical studies at leading hospitals in Australia and the United States have demonstrated accurate diagnosis of lower respiratory tract disease, upper respiratory tract infections, asthma/reactive airway disease, pneumonia, bronchiolitis, croup, chronic obstructive pulmonary disease and obstructive sleep apnoea. 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, please visit www.resapphealth.com.au.

ResApp Health Limited ABN 51 094 468 318

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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 2019

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | 48 |
| 1.2 Payments for | | |
| (a) research and development | (650) | (2,624) |
| (b) product manufacturing and operating costs | - | - |
| (c) advertising and marketing (see note 4) | - | (1) |
| (d) leased assets | - | - |
| (e) staff costs | (527) | (1,522) |
| (f) administration and corporate costs | (378) | (1,039) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 1 | 36 |
| 1.5 Interest and other costs of finance paid | - | (3) |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other – R&D rebate | - | - |
| 1.9 Net cash from / (used in) operating activities | (1,554) | (5,105) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | (9) | (25) |
| (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 | - | - |
| 2.2 Proceeds from disposal of: | | |
| (a) property, plant and equipment | - | - |
| (b) businesses (see item 10) | - | - |
| (c) investments | - | - |
| (d) intellectual property | - | - |
| (e) other non-current assets | - | - |
| 2.3 Cash flows from loans to other entities | - | - |
| 2.4 Dividends received (see note 3) | - | - |
| 2.5 Other (provide details if material) | - | - |
| 2.6 Net cash from / (used in) investing activities | (9) | (25) |

| | | |
|---|----------|--------------|
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of shares | - | 7,500 |
| 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 | - | (495) |
| 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) | - | - |
| 3.10 Net cash from / (used in) financing activities | - | 7,005 |

| | | |
|---|---------|---------|
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of quarter/year to date | 6,836 | 3,398 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | (1,554) | (5,105) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above) | (9) | (25) |
| 4.4 Net cash from / (used in) financing activities (item 3.10 above) | - | 7,005 |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|--|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of quarter | 5,273 | 5,273 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 5,273 | 6,836 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 5,273 | 6,836 |

6. Payments to directors of the entity and their associates

**Current quarter
\$A'000**

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

1. Director fees, salary and super; and
2. Consultancy fees.

7. Payments to related entities of the entity and their associates

**Current quarter
\$A'000**

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. Financing facilities available <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. | | |

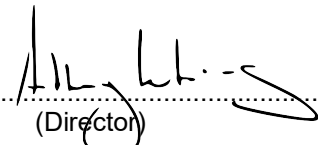
| 9. Estimated cash outflows for next quarter | \$A'000 |
|--|----------------|
| 9.1 Research and development | (416) |
| 9.2 Product manufacturing and operating costs | - |
| 9.3 Advertising and marketing | - |
| 9.4 Leased assets | - |
| 9.5 Staff costs | (721) |
| 9.6 Administration and corporate costs | (300) |
| 9.7 Other (provide details if material) | - |
| 9.8 Total estimated cash outflows | (1,437) |

| 10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above) | 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 2019

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.