

Customised Hardware and Wearable Devices to Expand ResApp's Addressable Markets

Brisbane, Australia, 29 May 2019 – ResApp Health Limited (ASX:RAP), a leading digital health company developing smartphone applications for the diagnosis and management of respiratory disease, today announced that it has engaged a UK-based medical device consultancy to develop customised hardware and wearable devices capable of running ResApp's market-leading machine learning algorithms. ResApp is focused on delivering mobile software apps in multiple clinical settings including telehealth, emergency, urgent care and primary care, and the addition of these hardware devices to the company's portfolio expands ResApp's reach to address specific in-person clinical environments. The design consultancy will work with leading UK-based medical device manufacturers, OSI Electronics, to design, test and finalise two CE-marked devices: a low-cost ruggedized, handheld device and a small, wearable breathing monitor.

The Android™-based, ruggedized handheld device will be a low-cost option, complementary to off-the-shelf smartphones, for using ResApp's mobile software diagnostic app in specific in-person clinical environments where certain hardware characteristics are desirable. The wearable monitor will provide ResApp with an easily worn, unobtrusive platform for monitoring patients with chronic disease 24/7 over extended periods.

Functional prototypes are expected within nine months, with CE Mark approval targeted in 2020.

"A decision on our CE Mark application for our mobile software diagnostic app is expected shortly and if approved will allow European commercialisation for running on off-the-shelf smartphones and also, once development is complete, this new handheld device. Being able to offer this option to customers will provide an additional selling point to our already strong value proposition for in-person care. Furthermore, a wearable monitor will allow us to commercialise new products aimed at assessing and predicting respiratory disease progression," said Tony Keating, CEO and Managing Director of ResApp. "By outsourcing hardware development, we retain our focus on delivering clinical-quality algorithms for use on smartphones in telehealth and in-person settings, while increasing our addressable market by having additional, specialised platforms on which we can deliver our algorithms. Having a milestone-based payment structure, where we can choose to pay milestones either in cash or shares, reduces our financial risk and helps optimise our cash flow."

ResApp has negotiated a fixed-price, milestone-based contract for the development of the devices. For each device, ResApp pays £75,000 in cash and issues AU\$250,000 of ordinary shares on project commencement, with the number of shares calculated on the volume-weighted average price of shares in the 30 days preceding the commencement date. The shares will be issued under ResApp's existing placement capacity. The balance of the project is divided into three milestones: delivery of functional prototypes, delivery of final designs and CE Mark approval. For



each device, ResApp will make a fixed payment of AU\$500,000 when each milestone is achieved, payable in cash or ordinary shares at the election of ResApp. The number of shares for the milestone payments will be calculated using 80% of 1) the volume-weighted average price of shares in the 30 days preceding the milestone or 2) 10 cents, whichever is higher. If ResApp elects to pay the milestones payment in shares, it is proposed that the shares will be issued under the company's 15% placement capacity. ResApp has termination rights during the project, including the right to terminate if target milestones are not met.

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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 is a trademark of ResApp Health Limited. Android is a trademark of Google LLC.

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