Quarterly Activities Report

For the period ending 30 June 2021

- **Leading telehealth provider, Medgate AG extended pilot trial of ResAppDx across its telemedicine services in Switzerland**
- **Agreement signed with Australian telehealth provider Doctors on Demand to integrate ResAppDx and SleepCheck into its online consultation offerings**
- **Ilara Health appointed to promote, market and sell ResAppDx in Kenya**
- **First participant recruited in US study to investigate using cough sound as a COVID-19 screening tool**
- **Successfully completed $5.5 million capital raise to grow commercial pipeline and expedite product development opportunities**

Brisbane, Australia, 30 July 2021 – 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 activities update for the three month period ended 30 June 2021 ("Q4 FY2021").

OPERATIONAL HIGHLIGHTS

ACUTE RESPIRATORY DIAGNOSIS

Medgate AG ("Medgate") extends European ResAppDx trial

Since March this year, Medgate, a leading provider of telemedicine services in Switzerland, has been running a pilot trial of ResApp's smartphone-based acute respiratory test, ResAppDx across its telemedicine platform. Medgate operates the largest telemedical centre run by doctors in Europe and employs over 510 people worldwide, including over 200 physicians.

In June, the pilot was extended by two months with the additional time being used to collect further data and optimise Medgate's integration of ResAppDx within its telemedicine services. Preliminary clinical data from the pilot has been positive and consistent with ResApp's clinical study results and positive feedback has been received from patients.

Negotiations with Medgate for the commercial deployment of ResAppDx following the pilot are underway and ResApp is confident of a successful outcome, expected in August.

Agreement with Australian telehealth provider Doctors on Demand

In July, ResApp signed a commercial agreement with Australian telehealth company Doctors on Demand. Doctors on Demand will launch ResAppDx in their video telehealth services in the third quarter of this calendar year. Doctors on Demand is one of Australia's largest private telehealth businesses, with several major Australian corporates as customers. As well as providing an excellent opportunity for ResApp to increase the use of ResAppDx by doctors and

patients in the Australian telehealth setting, the partnership with Doctors on Demand will also provide valuable real-world data to support ResApp's evidence base for future reimbursement submissions, an important step towards obtaining reimbursement for ResAppDx in the Australian market.

Doctors on Demand will also promote ResApp's SleepCheck app to its 125,000 patients as part of its virtual sleep care offering.

Ilara Health ("Ilara") appointed to promote, market and sell ResAppDx in Kenya
In May, ResApp announced that it had appointed Ilara to promote, market and sell ResAppDx in Kenya. Ilara powers existing primary care facilities with next-generation point of care diagnostic tools to bridge the diagnostic gap across sub-Saharan Africa. Ilara have partnered with over 250 clinics across the four largest cities in Kenya and will look to expand across the wider country and a new African market within the next 12 months.

ResAppDx is now being used in a number of Ilara's partner clinics and this usage is expected to expand over the coming months. Feedback from Ilara's customers, including clinicians and patients, has been very positive.

New publication highlighting smartphone-based cough analysis for AECOPD
After the end of the quarter, ResApp announced the publication of acute exacerbation of chronic obstructive pulmonary disease (AECOPD) data from its Breathe Easy adult clinical study in the peer-reviewed Nature Partner Journal, *npj Digital Medicine*.

The publication, entitled "*Identification of acute exacerbations of chronic obstructive pulmonary disease using simple patient-reported symptoms and cough feature analysis*" compared the accuracy of ResApp's cough-based algorithm to expert clinical assessment. The study showed that in patients with known COPD the algorithm correctly identified the presence of an acute exacerbation in 82.6% of subjects.

First patient recruited in COPD screening in Indigenous Australians clinical study
ResApp advises that it has recruited its first patient in its clinical study of COPD screening in Indigenous Australians (refer ASX announcement 19 December 2019). The study (ACTRN12620000144910) aims to demonstrate the health and economic benefits of using ResApp's COPD screening algorithms to identify COPD in rural/remote settings or where health infrastructure is lacking. The study will recruit 200 subjects and compare the results of ResApp's COPD screening algorithm against the standard of care for diagnosing COPD, including spirometry. In November 2020 a paper was published in *JMIR Formative Research* which presented data from the previous Breathe Easy clinical study and showed ResApp's algorithms were able to correctly identify COPD in 94% of patients with or without other infective lung disease.

COVID-19 SCREENING

First participant recruited in COVID-19 cough study
During the quarter, ResApp recruited the first participant in a US clinical study that will investigate the relationship between cough and COVID-19 and develop an instant COVID-19

screening smartphone app (NCT04864535). Participants are recruited online and enrol in the study using the COVID-Cough Study app for iPhone. Once enrolled, study participants record a cough sample and undergo a COVID-19 RT-qPCR at-home saliva test provided by Phosphorus. This data will form an important part of ResApp's COVID-19 strategy of building tools enabling the mass screening for COVID-19, helping patients and their clinicians manage acute COVID-19 disease, and identifying and managing long COVID.

MEASURING LUNG HEALTH THROUGH OBJECTIVE COUGH COUNTING

AstraZeneca iDETECT study announced

ResApp has now delivered a customised, Japanese language version of its cough counting app to AstraZeneca Japan for use in the iDETECT study (NCT04884269). The study will use machine learning to detect interstitial lung disease in lung cancer patients. AstraZeneca publicly announced the study in May. ResApp is also working closely with AstraZeneca to integrate its cough counting software development kit (SDK) into AstraZeneca's direct-to-consumer asthma monitoring smartphone app used to assist patients in monitoring their symptoms in the home setting and support them in managing their asthma.

Cough frequency is an important outcome measure in clinical trials and patient management across a broad range of disease states and the use of ResApp's cough counting technology by pharmaceutical companies is a key company strategy for driving revenue. ResApp is in discussions with multiple global pharmaceutical companies regarding similar opportunities.

SLEEP APNOEA SCREENING

Progress towards potential US FDA clearance for SleepCheck

To progress the expansion of SleepCheck into additional markets, ResApp is progressing an FDA 510(k) clearance for a prescription-only version of the SleepCheck app for the US market. ResApp is now finalising the 510(k) submission, which is expected to be made in August.

COMPANY

ISO27001 certification

In May, ResApp achieved ISO 27001 certification, a global information security standard that sets out requirements for an Information Security Management System (ISMS). To achieve certification, ResApp required to demonstrate that it has a systematic and ongoing approach to managing sensitive company and customer data. ISO27001 is valued by organisations globally as it exemplifies a commitment to security and privacy. This is an important requirement in many commercial deals that are currently under discussion.

Brian Leedman reappointed to the board

In May, the Company's co-founder, Brian Leedman was reappointed to the Board of Directors as Executive Director, Corporate Affairs. Mr Leedman was instrumental in ResApp's founding and has over 15 years of experience in investor relations and a deep understanding of healthcare investors' requirements.

FOURTH QUARTER FINANCIAL RESULTS

Receipts from customers for the quarter totalled $35,000 (Q3 FY2021: $48,000), which comprised of advanced payments from AstraZeneca and payments from Apple and Google for SleepCheck downloads.

Overall cash increase was $3,386,000 (Q3 FY2021: $1,017,000 cash decrease), with net cash used in operating activities totalling $1,720,000 (Q3 FY2021: $957,000). Research and development payments decreased to $483,000 (Q3 FY2021: $541,000). Advertising and marketing costs decreased to $94,000 (Q3 FY2021: $125,000). Staff costs slightly increased to $971,000 (Q3 FY2021: $947,000). The company made payments of $145,000 to directors during the period ($58,000 for non-executive director fees and $87,000 for executive director fees).

ResApp retained a cash balance of $6.6m at the end of the quarter.

ResApp completes $5.5m capital raise
In April, ResApp successfully completed a $5.5m (before costs) capital raise to grow its commercial partnership pipeline and expedite product development initiatives. ResApp issued 94,827,588 new fully-paid ordinary shares at an issue price of 5.8 cents per share. Shares were issued under ResApp's existing placement capacity under ASX Listing Rule 7.1 on 19 April 2021.

MANAGEMENT COMMENTARY

CEO and Managing Director Dr Tony Keating said: *"Our focus for the quarter has been on progressing our commercial pipeline, closing deals with Ilara Health (Kenya) and Doctors on Demand (Australia), the extension of the Medgate pilot and progressing a number of promising commercial discussions in our key areas of strategic focus. These deals not only increase the direct use of our technology by clinicians and patients but also demonstrate to telehealth providers, healthcare systems, clinicians and patients globally that our technology adds significant value to the diagnosis and management of respiratory disease.*

"We also continue to invest in our product development, with clinical research in COVID-19 and COPD, and further engagement with the US FDA to secure clearances in the US. Our activities are closely aligned with our strategic priorities – demonstrating and delivering value in telehealth and emerging markets where there are clear payer propositions, building real-world evidence to drive reimbursement, and creating near-term revenue opportunities by partnering with pharma."

CONFERENCE CALL DETAILS

Shareholders are invited to join a conference call hosted by Managing Director and CEO, Dr Tony Keating at 10:00am Australian Eastern Standard Time (AEST) today. Shareholders can pre-register for the call by following the link below. Registered participants will receive a calendar notification with dial-in details and a PIN to access the call.

https://s1.c-conf.com/diamondpass/10015553-3mdm74.html

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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 the respiratory disease. ResApp's machine learning algorithms use sound to diagnose and measure the severity of respiratory conditions without the need for additional accessories or hardware. ResApp's regulatory-approved and clinically validated products include ResAppDx, a smartphone-based acute respiratory disease diagnostic test for use in telehealth, emergency department and primary care settings; and SleepCheck, a smartphone application which allows consumers to self-assess their risk of sleep apnoea. Both products are CE Marked in Europe and TGA approved in Australia. For more information, please visit www.resapphealth.com.au.

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This ASX announcement was approved and authorised for release by the board of directors of ResApp Health.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
ResApp Health Limited	
ABN	**Quarter ended ("current quarter")**
51 094 468 318	**30 June 2021**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	35	128
1.2	Payments for		
	(a) research and development	(483)	(1,711)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(94)	(788)
	(d) leased assets	-	-
	(e) staff costs	(971)	(3,586)
	(f) administration and corporate costs	(207)	(929)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	17
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	1,205
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,720)**	**(5,664)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(2)	(46)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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**	**(2)**	**(46)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,500	5,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	1,525
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(354)	(354)
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	Payment of lease liability	(38)	(149)
3.10	**Net cash from / (used in) financing activities**	**5,108**	**6,522**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,201	5,775
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,720)	(5,664)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	(46)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,108	6,522
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**6,587**	**6,587**

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	6,587	3,201
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)**	**6,587**	**3,201**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(145)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Item 6.1 above includes Directors fees and salaries (including superannuation) for Managing Director and Executive Director, Corporate Affairs.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,720)
8.2	Cash and cash equivalents at quarter end (item 4.6)	6,587
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	6,587
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	**4**

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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.

30 July 2021

Date: .....

Tony Keating

Authorised by: .....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow 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 cash flow 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.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.