

ASX RELEASE

Volpara December Newsletter

Wellington, NZ, 18 December 2018: [Volpara Health Technologies](#) ("Volpara"; ASX: VHT), a medical technology company whose AI imaging algorithms assist the early detection of breast cancer, is pleased to provide investors with its December Investor Newsletter.

The eNewsletter outlines the Company's recent activities and upcoming events, including:

- Successful RSNA 2018 for Volpara and Launch of the VolparaLive! System
- FDA Mandatory Regulations for Breast Cancer Screening
- Volpara and ScreenPoint Medical Sign Memorandum of Understanding (MOU)
- Volpara Wins NZ Health IT International Solution of the Year Award
- Recent Research

The Investor Newsletter can be viewed at the end of this cover note, or by clicking here: <https://bit.ly/2UQhkcl>

ENDS.

For further information, please contact:

Ralph Highnam, CEO

Volpara Health Technologies

ralph.highnam@volparasolutions.com

t: +64 21 149 0541

Scott Newstead

WE Buchan

snewstead@we-buchan.com

t: +61 3 9866 4722

About Volpara Health Technologies Limited (ASX: VHT)

VHT is a MedTech SaaS company founded in 2009 on research originally conducted at Oxford University. VHT's clinical applications for screening clinics provide feedback on breast density, compression, dose and quality, while its enterprise-wide software, VolparaEnterprise, provides role specific dashboards and wide-ranging benchmarking analytics to help clinics manage their business more efficiently.

VHT's technology and services have been used by customers and/or research projects in 36 countries and are supported by numerous patents, trademarks and regulatory clearances, including FDA clearance and CE marking. Since its listing on the ASX in April 2016, VHT has raised A\$40 million, including A\$20 million in April and May 2018. VHT is based in Wellington, New Zealand.

For more information, visit www.volparasolutions.com

VHT uses the following definitions:

Total Contract Value (TCV): The value of contracts signed in the specified period. The revenue from these deals might be recognised over one or many years, and the customer might or might not have a cancellation clause of some kind.

Annual Recurring Revenue (ARR): The normalized amount of cash reasonably expected to be booked for the next 12 months based on the contracts signed previously, and assuming installation upon order.

Churn: The percentage of revenue from customers that either discontinue or reduce their subscription in a given 12-month period.



Message from the CEO

Dear Investor,

Welcome to our traditional pre-Christmas newsletter, where we bring you up to date on recent events, especially our biggest trade show, RSNA.



The **Radiological Society of North America 2018 (RSNA2018)** has just finished after five bustling days in Chicago, where well over 50,000 attendees got to hear the latest and best science while visiting exhibition halls showcasing some 700 exhibitors, including Volpara. RSNA is a key event for driving sales and meeting decision makers, and for getting visibility across the whole industry. We had an outstanding stand (photos below), and qualified leads were roughly double what they were last year, indicating the extent to which we've developed and grown as a company.

RSNA2018 also saw the formal commercial launch of the **VolparaLive!** system, a product already being called a "game-changer" by visitors to our booth. Focused on quality control as opposed to VolparaEnterprise software's trend analysis and clinic management technology, the VolparaLive! system is mammography's first real-time decision support system available at the point of care. It's a product unique in its very clear return-on-investment story: radiographers receive feedback that helps them make timely decisions about whether to repeat an image, yielding a reduction in technical recalls (where the woman is asked to return due to poor image quality). We are pleased to report that it was extremely well received by both potential customers and partners interested in integrating it with their x-ray sales, with our direct sales team now actively quoting. You'll find pictures of

the VolparaLive! system below.

Financially speaking, at the end of Q2 (end September) we had annual recurring revenue (ARR) of NZ\$4.84M. We are now into our traditionally strong quarters, with the RSNA momentum behind us. I'm happy to report that we've had another very positive quarter for cash collection and we look forward to reporting the final numbers in detail in our January Appendix 4C.

Read on for information about the following:

1. Information on RSNA 2018 (Board, Leads, Launch of VolparaLive!)
2. FDA commissioner's recent discussion about breast density
3. Our signing of a Memorandum of Understanding (MOU) with computer-aided detection developer ScreenPoint Medical
4. Volpara's big win at the NZ Health IT Awards
5. Review of latest publications in our field
6. Latest news links featuring Volpara

Lastly, we mourn the death of US breast density advocate Nancy Cappello, who died on 15th November following complications arising from her treatment for advanced breast cancer. Nancy cared deeply about improving breast cancer screening, especially for women with dense breasts, and she was a strong believer in Volpara and in the use of imaging modalities such as ultrasound for extremely dense-breasted women. We will miss her energy and passion, recognising that she set us on a much better path for breast cancer screening globally.

In that regard, we note that the results of the nine-year DENSE trial in the Netherlands, which used the VolparaDensity clinical application to select women for MRI, is expected to announce first results at the European Congress of Radiology in Vienna in early March.

Wishing you a happy and healthy holiday season,

Ralph P. Highnam, PhD
CEO & Chief Scientist

Successful RSNA 2018 for Volpara and Launch of the VolparaLive! System

Volpara received a great response from attendees at the annual RSNA meeting in Chicago.

Volpara had its best-ever response from the 50,000-plus radiology professionals attending the 2018 RSNA conference in Chicago, Volpara's key event for showcasing its products.

Read the full [story here](#).



FDA Mandatory Regulations for Breast Cancer Screening

The US Food and Drug Administration (FDA) is moving to improve the quality of mammography and provide more health information to patients, especially in the area of breast density, which is a target of Volpara's specialised analytics.

The FDA's [proposed amendments](#) would update the regulations issued under the Mammography Quality Standards Act of 1992 (MQSA).

In October the FDA stated that its proposed amendments are aimed at addressing changes in mammography technology and processes that have occurred since the regulations were published in 1997, and will address breast density reporting to patient and health care providers.

The FDA's update aims to capitalise on important advances such as the wider use of digital imaging devices, revised screening recommendations, the need for more uniform nationwide breast density reporting and the increasing clinical value of breast density information.

Read the full [story here](#).

Volpara and ScreenPoint Medical Sign Memorandum of Understanding (MOU)

Volpara and image analysis developer [ScreenPoint Medical](#) have signed an MOU which will see the two companies seek to bring ScreenPoint's artificial intelligence–based Transpara detection and decision support software to Volpara users globally.

ScreenPoint Medical, based in the Netherlands, develops image analysis technology for the automated reading of mammograms and digital breast tomosynthesis exams, using big data, deep learning and artificial intelligence.

Subject to further discussions under the MOU, Volpara will deliver ScreenPoint's AI-based products to customers as part of its expanding VolparaEnterprise AI cloud ecosystem.

Read the full [story here](#).

Volpara Wins NZ Health IT International Solution of the Year Award

Digital health awards presented at HiNZ Conference 2018

HiNZ (22 Nov 2018)

Volpara wins the NZHIT International Health IT Solution Award. [Read more](#)



Recent Research

Volpara's quantitative breast imaging tools continue to be widely used in research. Four abstracts at the 104th annual Radiological Society of North America meeting, 25–30 November 2018, showed that quantitative analysis improves breast cancer screening. The investigators all used Volpara's breast imaging analysis tool.

1. Using Quantitative Breast Density Analysis to Predict Interval Cancers and Node Positive Cancers in Pursuit of Improved Screening Protocols

Elizabeth Burnside MD and colleagues investigated whether quantitative breast density can predict interval cancers and node-positive, screen-detected cancers in order to serve as a biomarker to consider more aggressive screening to improve early detection.

[Read more](#)

2. Predicting Masking Risk in Mammography

Researchers at the University of Toronto evaluated a masking index, developed to predict the likelihood of a masked or missed cancer, to stratify women at greatest risk of masking to supplementary imaging modalities. VolparaDensity software was used to analyse images from screen-detected cancers and non-screen-detected cancers.

[Read more](#)

3. Automated Volumetric Breast Density Estimation: A Comparison with Radiologists' Qualitative Classification

VolparaDensity software was used by Beijing Medical University, China, to analyse 7,971 mammograms. The density results were compared to BI-RADS 5th Edition visual assessments. Results showed that significantly more mammograms were classified as dense using VDG as compared with visual assessments (43.9 to 17.1%).

[Read more](#)

4. Mammographic Compression Variability Increased after Removing Real-Time Pressure Indicator

Researchers at the Academic Medical Center in Amsterdam used Volpara's algorithms to evaluate the impact of real-time feedback on the standardization of mammographic compression. In the study, researchers evaluated the impact on a group of experienced technologists when the Sigmascreening pressure-based paddle was replaced by a conventional paddle.

[Read more](#)

Volpara in the News

Kiwi firm Volpara taps AI in the fight against breast cancer

CIO New Zealand



Some of the greatest advances in the fight against disease are happening not in the lab but inside the Kiwi software firm's base in Wellington. In New Zealand, Volpara recently began supporting Auckland-based Mercy Radiology and in October signed a contract with its first public sector client, BreastScreen Central (Lower Hutt).

[Continue reading](#)

Cutting-edge breast screening technology available for the first time publicly

Stuff

Hutt Valley DHB has signed a five-year agreement with Volpara, whose cutting-edge breast imaging technology has been helping save lives around the globe for almost a decade.

[Continue reading](#)



Volpara Health Technologies Ltd shares surge higher on strong quarterly update

The Motley Fool



The Motley Fool

The Volpara Health Technologies Ltd (ASX: VHT) share price has surged higher in morning trade following the release of its latest quarterly update.

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Emerging AI-powered tech holds the promise of saving thousands of lives

news.com.au

It's one of the biggest killers in Australia which can easily stay hidden but the new technology could soon save thousands of lives.

[Continue reading](#)



Volpara Health Technologies developing products and international sales networks

Proactive Investors Australia



Volpara Health Technologies (ASX: VHT) chief executive and co-founder Dr Ralph Highnam explains to Proactive Investors the research, development and manufacturing company's clinically validated imaging analytics and analysis software.

[Continue reading](#)

Upcoming events

27 February - [ECR](#) – Vienna, Austria

2 March - [NERRS Breast Imaging Course](#) – MA, USA

12 March - [9th Multidisciplinary Breast Cancer Conference](#) – WA, Australia

13 March - [2019 Breast Imaging Meeting \(BIG/RANZCR\)](#) – WA, Australia

15 March - [NCoBC 2019](#) – NV, USA

4 April - [2019 SBI/ACR Breast Imaging Symposium](#) – FL, USA

5 June - [9th International Breast Density and Cancer Risk Assessment Workshop](#) – HI, USA

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