



## ASX ANNOUNCEMENT

### SUCCESSFUL COMPLETION OF PLACEMENT AND INSTITUTIONAL COMPONENT OF ENTITLEMENT OFFER

Wellington, NZ, 5<sup>th</sup> June 2019: Volpara Health Technologies Limited ("**Volpara**"; ASX: VHT), a medical technology company whose AI imaging algorithms assist the early detection of breast cancer, today announces the successful completion of the institutional placement and the institutional component of its entitlement offer announced on ASX on Monday, 3 June 2019. Funds raised from the capital raising will be used by Volpara to fund the purchase price under a merger agreement to acquire US-based MRS Systems, Inc. (**MRS**) (the **Acquisition**) (and associated costs) and to fund further organic growth.

#### ***Placement and Institutional Entitlement Offer***

The institutional placement (**Placement**) and the institutional component of the 1 for 27 pro rata accelerated non-renounceable entitlement offer (**Entitlement Offer**) were conducted on 3 and 4 June 2019. The oversubscribed Placement raised A\$45 million and the institutional component of the Entitlement Offer raised the maximum amount of approximately A\$5 million.

The Placement and Entitlement Offer are being lead managed, and fully underwritten, by Bell Potter Securities Limited (**Bell Potter**). Morgans Corporate Limited has been appointed as a co-lead manager.

Ralph Highnam, CEO of Volpara, said: "*The institutional portion of Volpara's capital raising was well supported by our existing institutional shareholders, and also saw Volpara welcome a number of new domestic and international institutional investors onto the register. With the support of the market, we are very much looking forward to completing the acquisition of MRS and moving forward with the integration of the business into the Volpara group of companies.*"

Settlement of the Placement and the institutional component of the Entitlement Offer is expected to occur on Wednesday, 12 June 2019 with allotment of the new shares expected to occur on Thursday, 13 June 2019. The new shares issued under the Placement and the institutional component of the Entitlement Offer (**New Shares**) will rank equally with existing Volpara ordinary shares on issue.

#### ***Retail Entitlement Offer***

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) is expected to raise a further A\$5 million approximately. The Retail Entitlement Offer will be made to eligible retail shareholders who are registered as holding existing Volpara shares at 7.00pm (Sydney time) on Wednesday, 5 June 2019 (**Record Date**) at the same offer price as the Placement, being A\$1.50 per new share. The retail offer booklet for the Retail Entitlement Offer, which was released on ASX today, contains information for eligible retail shareholders in relation to the Retail Entitlement Offer and will be despatched to eligible retail shareholders on Tuesday, 11 June 2019.

#### **Additional disclosure regarding the Placement required under ASX Listing Rules 7.1A.4(b) and 3.10.5A**

As a consequence of the Company using its placement capacity under ASX Listing Rule 7.1A to issue some of the New Shares to be issued under the Placement, the Company is required to provide shareholders with some additional information with respect to the Placement only. In accordance with ASX Listing Rules 7.1A.4(b) and 3.10.5A, Volpara provides the following information with respect to the Placement:

- (a) Volpara will issue a total of 30,000,000 New Shares under the Placement, of which 17,980,015 New Shares in the Placement will be issued under Volpara's placement capacity under ASX Listing Rule 7.1A. The issue of the New Shares in the Placement under ASX Listing Rules 7.1 and 7.1A will result in the following dilution to existing Volpara shareholders:

|   | Number of New Shares to be issued | % of post-Placement Shares <sup>1</sup> |
|---|-----------------------------------|---|
| New Shares issued under ASX Listing Rule 7.1  | 12,019,985                        | 5.7                                     |
| New Shares issued under ASX Listing Rule 7.1A | 17,980,015                        | 8.6                                     |
| <b>Total</b>                                  | <b>30,000,000</b>                 | <b>14.3</b>                             |

- (b) Volpara's board of directors resolved to proceed with the Placement, having given consideration to the expediency of a share placement, Volpara's recent announcement regarding the Acquisition, the need to raise immediate funds to fund the Acquisition by mid-June and advice from external advisers. As mentioned above, Volpara is also undertaking an Entitlement Offer for existing Volpara shareholders. Volpara considers this offer structure to be the most efficient and expedient method for raising the funds required to achieve its stated objectives, while still ensuring that existing Volpara shareholders are able to participate in the capital raise at the same offer price as participants in the Placement.
- (c) The Placement is fully underwritten by Bell Potter Securities Limited.
- (d) Bell Potter Securities Limited will receive fees (comprising both a management and advisory fee and an underwriting and selling fee) equivalent to 4.75% of the dollar amount raised by the issue of the New Shares under the Placement.
- (e) In addition to the fees payable to the underwriter noted above, Volpara expects to incur costs and expenses of approximately A\$120,000 in connection with the Placement.

**For further information, please contact:**

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**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 38 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](http://www.volparasolutions.com).

**IMPORTANT NOTICES**

*This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction. Any shares issued to eligible retail shareholders under the Entitlement Offer have not been, and will not be registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act of 1933 and any applicable US state securities laws.*

*The Information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with Volpara's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at [www.asx.com.au](http://www.asx.com.au). You are advised to read these Important Notices carefully before reading or making any other use of this announcement or any information contained in this announcement. In accepting this announcement, you agree to be bound by these terms and conditions, including any modifications to them.*

<sup>1</sup> Excluding New Shares to be issued under the Entitlement Offer.