

19<sup>th</sup> June 2019

PainChek Limited (ASX: PCK)

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## **PainChek® Undertakes \$4.15M Placement, fast-tracks international expansion & Australian roll-out plans**

PainChek Ltd (ASX: PCK) (“PainChek” or “the Company”), developer of the world’s first smart phone pain assessment and monitoring device, will fast-track its international expansion and Australian roll-out plans following receipt of firm commitments to a Placement to raise \$4.15 million (before costs).

The Placement was supported by a range of current sophisticated PainChek shareholders, including the two major shareholders.

“We are delighted to have secured significant funding from our existing shareholders to support the rapid international expansion of the PainChek business”, commented Philip Daffas, CEO of PainChek Ltd.

“The PainChek® Adult App has evolved from a concept to a clinically validated and regulatory cleared technology that is under annual contract to more than 80 Australian Residential Aged Care Facilities (RAC’s) with more than 30,000 clinical assessments conducted over the past 18 months.

In the past few months the Australian Federal Government announced it will invest \$5M to facilitate the implementation of the company’s pain recognition app in Australian Aged Care Facilities<sup>(1)</sup>. We have also entered the UK market through a distribution agreement with leading Aged Care software provider Person Centred Software<sup>(2)</sup>.

We are now well positioned to extend into multiple international markets and deliver on the Children’s App that has an even larger market opportunity. These new funds give us the runway to do just that” added Daffas.

These new funds, combined with the existing capital and future income from projected sales revenues, R&D rebates and exercising of options is expected to provide the underlying working capital required for achieving the Company’s key milestones during the next two years, including;

(1) ASX release dated 29 April 2019

(2) ASX release dated 27 May 2019

- International market expansion of the PainChek® Adult App into selected European and other overseas markets under the CE mark clearance
- Market development of the PainChek® Adult App into new customer segments including direct to consumer and in hospital use
- FDA De Novo regulatory clearance and US market entry for the PainChek® Adult App
- Completion of the PainChek® Children’s App clinical study and obtaining international regulatory clearances including TGA, CE mark and FDA

RM Corporate Finance were the Lead Manager to the offer.

The Placement was priced at 14.5 cents per share, which is a 10% discount to the 10-day VWAP of 16.11 cents. Parties subscribing to Placement shares will also receive one free attaching unlisted option exercisable at 25 cents each and expiring on 30<sup>th</sup> June 2022 for every two shares subscribed for. The new shares and options will be issued pursuant to PainChek’s placement capacity under ASX listing rule 7.1.

The securities will be issued following receipt of cleared funds on the following timeline:

<b>Date</b>	<b>Ordinary Shares</b>	<b>Free attaching options</b>	<b>Funds</b>
Approx. 20 <sup>th</sup> June 2019	21,724,138	10,862,069	\$3,150,000
Approx. 19 <sup>th</sup> July 2019	6,896,552	3,448,276	\$1,000,000
<b>Total</b>	<b>28,620,690</b>	<b>14,310,345</b>	<b>\$4,150,000</b>

**ENDS**

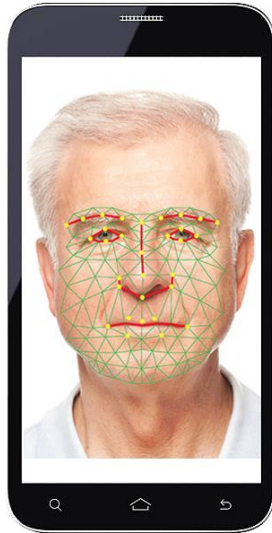
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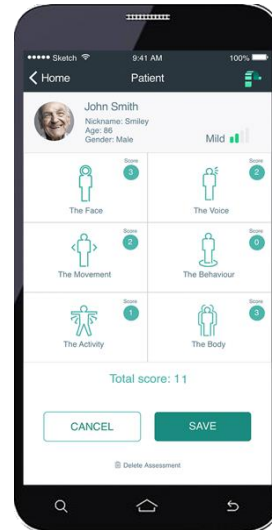
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### The PainChek® Technology:

PainChek® uses cameras in smartphones and tablets to capture a brief video of the person, which is analysed in real time using facial recognition software to detect the presence of facial micro-expressions that are indicative of the presence of pain.



*PainChek® artificial intelligence assesses facial micro-expressions that are indicative of the presence of pain*



*PainChek® six domains of pain assessment that calculates pain severity score*

This data is then combined with other indicators of pain, such as vocalisations, behaviours and movements captured to calculate a pain severity score. Due to its speed, ease of use and its reproducibility, PainChek® will be able to be used to detect and measure a person's pain, and then further measurements can be used to monitor the effectiveness of pain management.

PainChek® is being rolled out globally in two phases: first, PainChek® which is designed for adults who are unable to effectively verbalise their pain such as people with dementia, and second, PainChek® for Children who have not yet learnt to speak.