

20 November 2019

PainChek Limited (ASX: PCK)
ABN 21 146 035 127
Suite 401, 35 Lime Street, Sydney, NSW, 2000
Registered Office: Suite 5, 95 Hay Street Subiaco WA 6008
Phone +61 8 9388 8290
info@paincheck.com

UPDATE ON ACHIEVEMENT OF MILESTONES FOR UNVESTED DIRECTOR OPTIONS AND ON THE FEDERAL GOVERNMENT GRANT CONTRACT

PainChek is pleased to announce that as at 19th November 2019, PainChek® has contracted 79 customers covering 280 Residential Aged Care Facilities and 24,170 aged care beds. Of these total beds, approximately 12,000 have been contracted on the basis of the Federal Government Grant pricing for one year and standard commercial pricing in subsequent years. The annualised contract value of all these contracts based on agreed standard commercial pricing, excluding the first year of Grant pricing, has now exceeded \$1,000,000 in annualised contracted recurring revenue.

In the AGM notice of meeting issued on 14th October 2019, shareholders were asked to approve a revised vesting target of achieving signed customer contracts with \$1 million of annualised contract value by 24th November 2019 relating to the remaining 30,066,051 of unvested director options. The Board considers that the \$1 million threshold has now been exceeded, and that subject to approval of the revised vesting target at the AGM on 20 November 2019, the remaining 30,066,051 director options will vest.

Update on the Federal Government Grant Contract

PainChek® is expecting a signed Federal Government Grant contract for A\$5m to be received imminently. All key commercial terms have been agreed and PainChek® has been advised that the contract has been signed off by the Assistant Secretary for the Department of Health and is in the process of being issued by the Department of Social Services Grants Hub. The Federal Government has posted the confirmation of the Grant on its' GrantConnect website:

<https://www.grants.gov.au/?event=public.GO.show&GOUUID=2287FA9F-B13E-DEA0-D6930D78B2DDA3DC>

Under the terms of the Grant, the Federal Government will reimburse PainChek® directly for Residential Aged Care operators to be provided with a one-year subscription license to use PainChek®, up to a maximum of 100,000 dementia bed licenses that are contracted and implemented over a 12 months period. We have agreed discounted pricing from our standard commercial pricing with the Federal Government, for calculation of the reimbursement amount for this initial one-year license period.

Since September 2019, PainChek® has commenced signing up new Residential Aged Care customers on the basis of entering into at least a two-year contract, with one year of the contract at no charge to the customer (PainChek® is paid under the Grant) and subsequent years at standard commercial pricing. These contracts automatically renew at the end of the first year unless the customer opts out.

PainChek has already started to roll out the Government funded programme to these new aged care facilities as of November 2019 and has engaged with Ward Medication and other training partners to support the broad roll out of the over the next 12 months.

- Ends -

For further information please contact:

Philip Daffas
Managing Director
Tel: +61 406-537-235

www.painchek.com

About PainChek®

PainChek® Ltd is an Australian based company that develops pain assessment technologies.

PainChek® is a smart-phone based medical device using artificial intelligence to assess and score pain levels in real time and update medical records in the cloud. PainChek® records a short video of the person's face and analyses the images that indicate pain and records them.

Next, the caregiver uses PainChek® to record their observations of other pain related behaviours that complete the assessment. Finally, PainChek® calculates an overall pain score and stores the result allowing the caregiver to monitor the effect of medication and treatment over time.

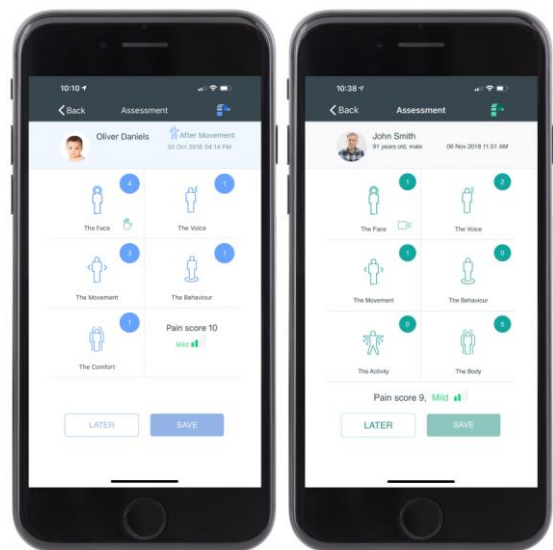
PainChek® is being rolled out globally in two phases: first, PainChek® for adults who are unable to effectively verbalise their pain such as people with dementia, and second, PainChek® for Children who have not yet learnt to speak.

The PainChek® Shared Care Program is a PainChek® licensing model which enables a professional carer to share their resident or patient data securely with other healthcare professionals or designated homebased family carers for ongoing pain assessments or clinical data review.

To find out more, visit
www.painchek.com



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



PainChek® domains of pain assessment that calculates pain severity score.