

ASX RELEASE

Volpara Unaudited FY17 Half Year Results

Wellington, NZ, 14th November 2016: Volpara Health Technologies ("Volpara"; ASX:VHT), a digital health company focused on early detection of breast cancer by improving quality of screening, has today released its financial results for the half year ended 30 September, 2016.

The company reported increased revenue of NZ\$1.22 million (up 4.8%) for the first half of FY17 (commencing 1st April 2016), during a period of investment which saw the company:

- List on the Australian Securities Exchange, raising A\$10 million;
- Expand its sales team across North America, Europe and APAC to ten people;
- Expedite the development of its cloud-based clinical management software, **VolparaEnterprise™** 1.0, marking the commencement of its transition to a Software as a Service (SaaS) subscription style revenue model;
- Deliver first sales of **VolparaEnterprise™** to Women's and Breast Imaging in Perth, Western Australia, and Breast Imaging Specialists in Los Gatos, California and Stanford University in Stanford, California
- Feature **VolparaDensity™** in several academic and clinical validation studies, highlighting the importance of breast density in the detection of cancer and further strengthening the **VolparaDensity™** position as the breast density measurement tool with the highest level of clinical validation;
- Present at the FDA-hosted National Mammography Quality Assurance Advisory Committee (NMQAAC), an important opportunity to showcase the quality control features of **VolparaEnterprise™** in the context of the FDA's focus on quality control in mammogram screening and the need to report breast density to patients.

"This is a very exciting time for Volpara and its shareholders. Over the past six months we have built the foundation for future revenue growth, through our investment in our people and products, and our shift to a subscription style revenue model. With this in place our outlook for the next 12 months is very positive, as the awareness of Volpara, the drivers for adoption of our breast density and quality assurance solutions continue to strengthen," said Dr Ralph Highnam, CEO of Volpara Health Technologies.

"The clinical validation and acceptance of Volpara's utility as an objective measure of breast density continues to grow, as we continue to feature in world leading academic and clinical validation studies. This awareness has been integral to attracting the leading breast screening experts to our sales and marketing team.

"In parallel, we are building a clear position as the only automated quality control solution that provides a comprehensive assessment of image quality on every mammogram, measuring density, position, compression and other quality factors. This is opening the door to new prospective customers, and puts us at the forefront of the increased focus of quality control in breast screening being adopted by the US FDA."

The net loss was NZ\$4.68 million, and is in line with expectations. The closing cash position was NZ\$6.795 million.

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About Volpara Health Technologies Limited (ASX: VHT)

Founded in 2009 from research originally conducted at Oxford University, VHT is based in Wellington, New Zealand and facilitates the early detection of breast cancer through its digital health solutions to enable personalised, high-quality breast cancer screening based on objective measurements of breast density.

VHT has a number of patents and trademarks and regulatory clearances, including FDA and CE, supporting its technology and services. It launched its cloud based **VolparaEnterprise™** solution which incorporate breast density screening with a range of automated quality control features focused on improving quality and productivity in July 2016.

VHT listed on ASX in April 2016 after a \$10m IPO and has customers and/or research projects in 35 countries.

www.volparasolutions.com