ASX Announcement

IMRICOR PROVIDES AN UPDATE ON IMPACT OF COVID-19

- Imricor continues to target 15 sites within the EU to be ordering consumable products by 30 June 2020, with some delay of installations planned for March and April due to hospital bans on external personnel
- A training and installation team is currently located in the EU to mitigate the impact of travel bans, with a further two teams established in the US to ensure expanded capacity to continue training and installation of new sites once travel bans are lifted
- The pipeline of sites targeted for iCMR lab adoption continues to progress, supported by Imricor staff located in the EU, the Company's collaborative relationship with Siemens and Philips, and the US based Imricor team
- The manufacture and assembly of the Company's products occurs in Minneapolis, USA, does not rely on offshore supply chains, and is not expected to be impacted by the COVID-19 pandemic
- The Company maintains sufficient inventory in its European warehouse to meet commercial demand and manage potential freight disruption between its manufacturing facilities in the US and warehouse in the EU
- Imricor maintains a robust balance sheet, with a pro-forma[1] cash position at 31 December 2019 of US$17.9 million

22 March 2020 – Minneapolis, United States – Imricor Medical Systems, Inc. (**Company** or **Imricor**) (**ASX:IMR**) today advises that it continues to target 15 labs within the European Union (EU) to be ordering consumable products by 30 June 2020 and provides a business update in light of conditions surrounding the novel coronavirus (COVID-19).

Impact of COVID-19 on Lab Rollout Plans

Currently, Imricor's lab roll out plans are focused on Western Europe, and in particular the countries identified within the first phase of the Company's commercialisation plan including Germany, The Netherlands, Austria and Switzerland.

As previously advised, Imricor is currently planning start-up activities at three medical facilities in the Netherlands and Germany, formerly expected to be operational by the end of April. Due to current hospital bans on outside personnel, installation and training at these sites have been placed on hold. Imricor has established an installation and training team in the EU that is ready to begin installs once these bans are lifted. In addition, two US (United States) based installation and training teams are in place to support the European team remotely and ensure expanded capacity once travel bans are lifted.

Generally, across the broader cardiac ablation market, the rate of procedures being undertaken has slowed as sites defer procedures due to COVID-19. This is expected to create a backlog of procedures in the future which has the opportunity to create a tailwind for Imricor's consumable sales once targeted sites are operational.

[1] Following the Company's successful institutional placement of AU$20.3 million in February 2020

Imricor, at this time, does not anticipate a material impact from the COVID-19 pandemic across its business beyond the matters discussed above and continues to target 15 labs to have signed agreements in place and be ordering consumable products by 30 June 2020. However, the Company remains acutely aware of ongoing developments, including existing hospital bans on external personnel, and will continue to monitor potential impacts and keep the market informed as appropriate.

Imricor's Chair and CEO, Steve Wedan said: "Hospitals have taken the very prudent action to minimise the potential for them to be locations where the virus is spread. We are prepared to initiate efficient installation and training once outside personnel are allowed back into hospitals, and we are working in close cooperation with our customer physicians to monitor the situation. In the meantime, sales processes across our pipeline of new sites continue to progress."

Sales and Marketing

Imricor maintains direct and close relationships with cardiac specialists who treat arrythmias. While there are general product awareness benefits associated with the Company's participation at industry tradeshow events, the cancellation or postponement of these events is not expected to impact Imricor's strong and growing sales pipeline. Imricor's sales and marketing teams are now organising similar online events and educational seminars.

With a small workforce located within the EU, supported by Siemens and Philips and with the Imricor team in the US, the Company continues to see good progress across its pipeline of sites targeted for the adoption of iCMR labs.

Supply of Imricor's Products

The manufacturing and assembly of Imricor's products is undertaken at the Company's facilities in Minneapolis, USA. The vast majority of materials and components are sourced from within the US, with some components sourced from European countries such as the United Kingdom and Switzerland.

Imricor currently warehouses its products in Germany for distribution throughout the European Union. The Company maintains a level of inventory there that would be sufficient to meet sales demand for a significant period and therefore manage freight disruption between its manufacturing facilities and warehouse, should such a disruption arise due to the COVID-19 pandemic.

Imricor Staff

The health and welfare of Imricor's team, their families and the broader communities in which they live remains the Company's highest priority. The Company has instructed all employees to work from home as much as possible and has implemented daily cleaning and disinfecting of its offices and labs for those employees who need to periodically use the facilities. Manufacturing has been suspended for two weeks while a second cleanroom is prepared to reduce the number of assemblers present in one room. This has also given the assembly team time to care for their families during this difficult time, as primary schools in Minnesota are closed. The manufacturing team is preparing to return to work on 30 March 2020.

Financial Position

Imricor maintains a robust balance sheet, with a pro-forma cash position at 31 December of US$17.9 million following the Company's successful institutional placement in February 2020 of AU$20.3 million.

"We are in a fortunate position to be able to continue executing to plan through this difficult time. We are keeping a close eye on the situation, as is everyone around the world, recognising that things are changing daily. If disruptions continue longer term, we can take many actions to conserve cash," commented Lori Milbrandt, Imricor's CFO.

Imricor will provide an update on business activities as part of the release of its quarterly cash flow reporting for the period ended 31 March 2020.

Authorised for release by Steve Wedan, Executive Chair, President, and CEO.

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Further Information

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About Imricor

Imricor Medical Systems, Inc. (ASX:IMR) is a leading developer of innovative MRI-compatible medical devices which can be used to carry out MRI-guided cardiac catheter ablation procedures. Headquartered in the US, Imricor seeks to make a meaningful impact on patients, healthcare professionals, and healthcare facilities around the world by increasing the success rates and bringing down the overall costs of cardiac catheter ablation procedures.

Imricor's Products

Imricor is a pioneer and leader in developing MRI-compatible products for cardiac catheter ablation procedures, and believes it is the first company in the world to bring commercially viable and safe MRI-compatible products to the cardiac catheter ablation market.

The Vision-MR Ablation Catheter is the Company's prime product offering, specifically designed to work under real-time MRI guidance, with the intent of enabling higher success rates along with a faster and safer treatment compared to conventional procedures using x-ray guided catheters. The Vision-MR Ablation Catheter has been approved in the European Union with an indication for treating type 1 atrial flutter. Imricor intends to seek approval for expanded indications in the future. The Company is also in the early stages of pursuing the required regulatory approvals to place its key products on the market in Australia and the U.S.

The Company has also obtained approval within the EU for the sale of the Advantage-MR EP Recorder/Stimulator System and its consumable product, the Vision-MR Dispersive Electrode.

Imricor expects to sell its capital and consumable products to hospitals and clinics for use in Interventional Cardiac Magnetic Resonance Imaging (iCMR) labs, in which ablation procedures using the Vision-MR Ablation Catheter can be performed. An iCMR lab is an interventional lab that is fitted with MRI equipment for use in cardiac diagnostic and interventional procedures. The installation of iCMR labs is driven primarily by MRI equipment vendors working collaboratively with Imricor. Vendors such as Koninklijke Philips N.V. and Siemens Healthcare GmbH help to target certain sites and support the design and construction of iCMR labs for those sites.

Foreign Ownership Restrictions

Imricor's CHESS Depositary Interests (**CDIs**) are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (**Securities Act**) for offers which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that you are unable to sell the CDIs into the US or to a US person for the foreseeable future except in very limited circumstances after the expiration of a restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a 'FOR US' designation on the Australian Securities Exchange (**ASX**). This designation restricts any CDIs from being sold on ASX to US persons. However, you are still able to freely transfer your CDIs on ASX to any person other than a US person. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on the Company's management's beliefs, assumptions and expectations and on information currently available to management. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, EU commercial market acceptance and EU. sales of our product as well as our expectations with respect to our ability to develop and commercialise new products. Management believes that these forward-looking statements are reasonable when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Imricor does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Imricor may not actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.