



EMvision Medical Devices Ltd
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ASX Release

APPENDIX 4C – 30 JUNE 2019 QUARTERLY CASHFLOW REPORT

Highlights:

- *On track to commence clinical trial in Q4 CY2019 with good progress achieved in portable brain scanner device advancement.*
- *Keysight Technologies Strategic Collaboration accelerates development.*
- *Team strengthened with recent appointments in clinical advisory and regulatory affairs.*
- *Australian Stroke Alliance successful in Frontiers Stage 1 Funding Bid.*
- *Non-invasive Torso Scanner for early detection and monitoring of NAFLD / NASH continues to progress.*

EMvision Medical Devices Limited (ASX: EMV) ("EMvision" or the "Company") is pleased to lodge the attached Appendix 4C Quarterly Cashflow Report for the 12 month period ended 30 June 2019.

In partnership with The University of Queensland (UQ), EMvision is developing and commercialising medical imaging diagnostics for various disease states and medical emergencies. The Company's primary focus is a portable, cost effective, non-invasive brain scanner to monitor and help diagnosis of brain injuries and stroke by creating rapid 3D images of the brain. In addition, the Company is also at a pre-clinical research and development stage for an adjacent non-invasive torso scanner targeting detection and monitoring of non-alcoholic fatty liver disease (NAFLD) and non-alcoholic steatohepatitis (NASH). The torso scanner would utilise the same core technology being developed for brain imaging, with custom algorithms and hardware.

Key activities undertaken during the quarter are outlined below:

On target for clinical trial to commence in Q4 CY19

Good progress has been made towards the clinical trial which is anticipated to commence in Q4 CY19. The key advancements in the test device include completion of the antenna and headset design as well as significant software and algorithm progress. Extensive inputs from a range of clinicians has been utilised to ensure the design is effective and user friendly in the hospital environment.

Keysight Technologies Strategic Collaboration accelerates development

During the quarter EMvision executed a non-binding Memorandum of Understanding ("MOU"), with Keysight Technologies Malaysia SDN BHD ("Keysight Technologies"), a wholly owned subsidiary of Keysight Technologies, Inc (NYSE:KEYS) ("Keysight"), for the co-development of a new generation of Vector Network Analysers ("VNA") for the healthcare sector. Keysight has taken a strategic decision to enter the healthcare market and has chosen EMV as one of its small group of collaborators to drive their presence in the field. The innovative solutions that Keysight has launched for growth markets like 5G, IoT, next-generation wireless, high-speed data centres and electric vehicles have helped fuel the \$3.9B (USD) in revenue it generated in fiscal year 2018. The strategic collaboration between EMvision and Keysight has already borne fruit with the exchange of information with Keysight assisting with an important calibration methodology that has considerably shortened the time to solve this challenge.

Team strengthened with recent appointments

During the quarter the Company assembled several high-calibre experts in the fields of Neurology, Interventional Neuroradiology and Critical Care to form its Clinical Advisory Board. These experts include Prof Michael O'Sullivan, Dr Ken Mitchell, Dr David Cook, Dr James Walsham and co-inventor Prof Stuart Crozier, who will serve as the Chairman. The Advisory Board has been working very closely with the EMvision management team and Board as the Company prepares for its clinical trial at the Princess Alexandra Hospital in Brisbane.

Ruth Cremin, a highly experienced Regulatory Affairs executive fresh from Nanosonics (ASX:NAN), was appointed as Head of Regulatory Affairs and Quality to drive the regulatory strategy for EMV on its path to market access. Ruth will also evaluate the regulatory landscape for a range of additional clinical applications.

Australian Stroke Alliance successful in Frontiers Stage 1 Funding Bid

The highly competitive Medical Research Futures Fund (MRFF) Frontiers program provides funding aimed at developing the next big medical breakthrough. In Stage 1, just ten groups were selected to receive funding of up to \$1 million over 12 months to develop detailed plans for their research programs and make Stage 2 submissions. Stage 2 is anticipated to support the best applicants from Stage 1 where grants are pledged at \$50 million or more per group and can extend over five years. It is expected that EMvision will provide in kind contributions during Stage 1, principally through the provision of expertise and guidance from existing employees and benefit from similar contributions made by other Australian Stroke Alliance program collaborators.

Following EMV's successful involvement in the Stage 1 bid, the Company is working closely with the Australian Stroke Alliance to develop a research plan and budget for a competitive Stage 2 bid, anticipated to be completed within the next 12 months. If successful, it is anticipated that the Stage 2 budget will include provision towards partial funding of the development, testing and implementation costs associated with a first responder generation of EMvision's portable brain scanner currently in development. The Company's ultimate involvement is also subject to entering into a collaboration agreement with The Melbourne Brain Centre and other Australian Stroke Alliance project collaborators. (Refer to the Company's ASX announcement dated 22 May 2019 and titled "Australian Stroke Alliance Successful in Frontiers Funding Bid" for further details regarding the Australian Stroke Alliance collaboration).

Non-invasive Torso Scanner for early detection and monitoring of NAFLD / NASH continues to progress

The UQ research team's tissue characterisation work has continued well with samples now collected from eight patients with pathology results expected near term. The research team has also been bolstered with the addition of four experts to the project in the fields of machine learning, classification and antenna design. An enhanced torso phantom has been fabricated to emulate different stages of fatty liver disease in a lab environment. This phantom is being used to assist in verifying algorithm development. A new generation of smaller resonance based reflector antennas have also been developed for testing.

Cashflow commentary and grant funding

The Company had net cash outflows for the quarter of \$806k and cash reserves of \$4,348k as at 30 June 2019. Total payments of \$1,036k for research and development activities, staff costs (including research and development staff) and corporate administration were partly offset by the receipt of \$230k in Cooperative Research Centre project (CRC-P) grant funding and participant contributions.

EMvision was awarded a \$2.6 million CRC-P grant from the Government of the Commonwealth of Australia in late 2017, and, through the grant process, has established key academic, clinical and industry relationships that will assist in the advancement and commercialisation of the Company's brain scanner program. The grant participant partners include GE Healthcare, a US\$19 billion healthcare business of GE (NYSE:GE), The University of Queensland which is one of the world's top 10 universities for biotechnology, and The Queensland Government Metro South Hospital & Health Service operating at the Princess Alexandra Hospital, one of Australia's leading academic and research centres. These partners have also

committed to provide a further \$910,000 in grant funds to EMvision. To 30 June 2019, the Company has received \$1,353k from the government and \$229k from grant participant partners.

[ENDS]

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ABOUT EMVISION

EMvision Medical Devices Limited is focused on the development and commercialisation of medical imaging technology. The Company is developing and seeking to commercialise a potentially cost effective, portable, medical imaging device using electromagnetic microwave imaging for diagnosis and monitoring of stroke and other medical applications. The technology is the result of over 10 years of development by researchers at the University of Queensland. The team of over 30 researchers is led by co-inventors Professor Amin Abbosh, who is considered a global leader in electromagnetic microwave imaging, along with Professor Stuart Crozier, who created technology central to most MRI machines manufactured since 1997. EMvision's CEO, Dr Ron Weinberger, is the Former Executive Director and CEO of Nanosonics' (ASX:NAN), a \$1.5 billion market cap healthcare company. Dr Weinberger has over 25-years' experience developing and commercialising medical devices. During his time at Nanosonics, Dr Weinberger co-developed the company's platform technology and launched their breakthrough product 'Trophon' globally, which would go on to become the gold standard for infection prevention. Dr Weinberger was instrumental in transforming Nanosonics from a research and development company to one of Australia's leading medical device commercialisation success stories.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

EMVISION MEDICAL DEVICES LTD

ABN

38 620 388 230

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
- CRC-P participant contributions	46	183
1.2 Payments for		
(a) research and development	(600)	(1,892)
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs including research and development staff	(257)	(921)
(f) administration and corporate costs	(191)	(843)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
- CRC-P grant income	184	952
- R&D Tax Incentive rebate		279
1.8 Other (provide details if material)		
- Net GST received / (paid)	12	(51)
1.9 Net cash from / (used in) operating activities	(806)	(2,293)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) property, plant and equipment			
(b) businesses (see item 10)			
(c) investments			
(d) intellectual property			
(e) other non-current assets			
2.2 Proceeds from disposal of:			
(a) property, plant and equipment			
(b) businesses (see item 10)			
(c) investments			
(d) intellectual property			
(e) other non-current assets			
2.3 Cash flows from loans to other entities			
2.4 Dividends received (see note 3)			
2.5 Other (provide details if material)			
2.6 Net cash from / (used in) investing activities		0	0

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		6,000
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds/(refund) from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		(369)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	0	5,631

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	5,154	1,010
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(806)	(2,293)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	0
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0	5,631
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of quarter	4,348	4,348

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,348	4,348
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,348	4,348

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	105
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	0
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
- Director fees, salaries and superannuation paid to Directors		

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	0
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	0
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	0	0
8.2 Credit standby arrangements	0	0
8.3 Other (please specify)	0	0
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(960)
9.2 Product manufacturing and operating costs	0
9.3 Advertising and marketing	0
9.4 Leased assets	0
9.5 Staff costs	(353)
9.6 Administration and corporate costs	(270)
9.7 Other (provide details if material)	
- Net GST	(102)
9.8 Total estimated cash outflows*	(1,685)

*Note: excludes cash inflows from CRC-P grant and participant contributions estimated to be +\$230k for the next quarter.

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Company secretary)

Date: ..23 July 2019.....

Print name:Emma Waldon.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.