

ASX ANNOUNCEMENT

12 September 2016

Acquisition and Fund Raising Presentation

MedAdvisor Limited (ASX: MDR, the Company) today provides its acquisition and fund raising presentation following the announcement on the 31 August 2016 that it has entered into an agreement to acquire 100% of Health Enterprises 2 Pty Ltd, trading as Healthnotes.

CEO, Robert Read has recorded an OpenBriefing discussing the MedAdvisor's progress to date, the proposed acquisition of Healthnotes, and the Company's growth strategy. To listen to the briefing please use the following link: <http://www.openbriefing.com/OB/2282.aspx>

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For more information

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About MedAdvisor

MedAdvisor is a world class medication management platform focused on addressing the gap and burden of medication adherence. Founded with a desire to simplify medication management, the highly automated and intuitive Australian software system connects patients to their local pharmacy, providing them with real time access to their personal medication records. Available free on mobile and internet devices, the platform also incorporates a variety of valuable and convenient features including reminders and pre-ordering of medications, which together improves adherence by more than 20%.

Since launching in 2013, MedAdvisor has over 220,000 registered users and is connected with a third of pharmacies across Australia. With the recent GP software integration enabling patients to order script renewals remotely from their doctor, MedAdvisor continues to lead the way in delivering innovative patient centred health solutions.

MedAdvisor

MedAdvisor improves health outcomes, placing patients
at the centre of connected health platforms



Healthnotes Acquisition & Fundraise
Investor Presentation
September 2016



Important Notice

COMMERCIAL IN CONFIDENCE

This Presentation is dated September 2016 and has been prepared by MedAdvisor Limited ACN 145 327 617 (MedAdvisor or the Company) to be used in connection with a proposed fund raising, described in more detail within.

This Presentation is not an offer or invitation to acquire securities in MedAdvisor and is not a disclosure document. It is for information purposes only.

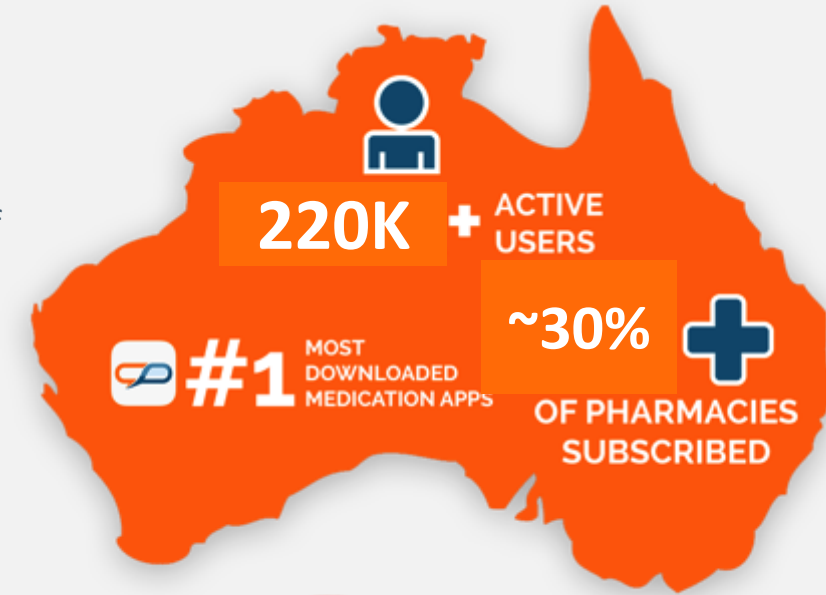
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An investment in MedAdvisor is subject to known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and principal invested. MedAdvisor does not guarantee any particular rate of return or the performance of MedAdvisor, nor does it guarantee the repayment of capital from MedAdvisor or any particular tax treatment.

World Class Platform for the Management of Medication

- **Most advanced mobile medication management platform:** 50% of Australians (~12m) have a chronic disease. MedAdvisor provides patients the ability to simply and easily manage medication
- **Addressing one of the biggest addressable health issues internationally:** the growing cost and loss of productivity due to poor medication adherence. ~50% adherence to long term therapies (WHO 2003)
 - \$650 billion is lost globally due to avoidable health care costs
 - \$10 billion opportunity in PBS prescriptions alone (Australia)
 - MedAdvisor lifts adherence by ~20%+
- **Customers already actively leveraging the platform:** Over 1,600 pharmacies and 7 of the top 20 pharmaceutical manufacturers in Australia paying to connect with patients
- **Patients are highly engaged:** Over 220,000 active users ordering \$1.2m+ of prescriptions per week.
- **Significant opportunity to play a key role in the digital healthcare sector:** significant government opportunities and ability to link with other market players such as Hospitals and GPs.
- **Already Revenue generating:** over \$1.7 million FY 2016
- **Acquisition of Healthnotes:** that will significantly enhance market share and positioning



Patient Centric Connected Healthcare Platform Serving All Stakeholders

Convenient and simple way to manage medication.

Pharmacy

1. Grow revenue from increased adherence (+20%)
2. Grow revenue from increased loyalty (+5%)
3. Improve efficiency through workflow balancing (TTR)



1. Automatically track their meds & supply remaining
2. Order their meds so no waiting in pharmacy
3. Order repeat prescriptions from their GP

Health Insurers

1. Reduce utilisation – lower claims
2. Opportunity to connect and provide interventions
3. Better health for customers



Government

1. Reduction in health cost burden
2. Every repeat script generated by MA saves Government \$37
3. Pursuing digital and mobile health agenda through empowering consumer



Manufacturer

1. Increase revenue from driving adherence
2. Engage with patients to boost quality use of medicines
3. Derive patient and prescribing insights from data generated by platform



GP

1. Improve clinical decision making from Adherence view
2. Generate revenue from repeat prescription payments
3. Assist practice to manage low value repeat prescription appointments



MedAdvisor Platform Capabilities

A leading mobile application and web service, that encourages patient engagement and provides patients the ability to simply and easily manage their medication.



Automatic Medication List

A complete automatic list of prescribed medications for the user, with repeats left, days supply left and actions required.



Fill-My-Scripts

Automatically reminds users when to fill their scripts, and chases them up if they forget.



See-My-Doctor

Reminds users to visit their doctor to get new prescriptions when required.



Take-My-Meds

Reminds users to take the right meds at the right times. (optional)



Pharmacy Access

Easy access to pharmacy details, opening hours, loyalty programs, specials and more.



Tap To Refill Ordering

Users can order their medication with a simple tap and have it dispensed in advance, so when they arrive at the pharmacy they can collect immediately - **no waiting!**



Snap-n-Send

Users can photograph new scripts and order them along with their repeats.



Medication Information

Provides easy access to complete medication details: Common Uses, How-To-Use Tips, Cautions, Possible Side Effects, Recalls, etc.



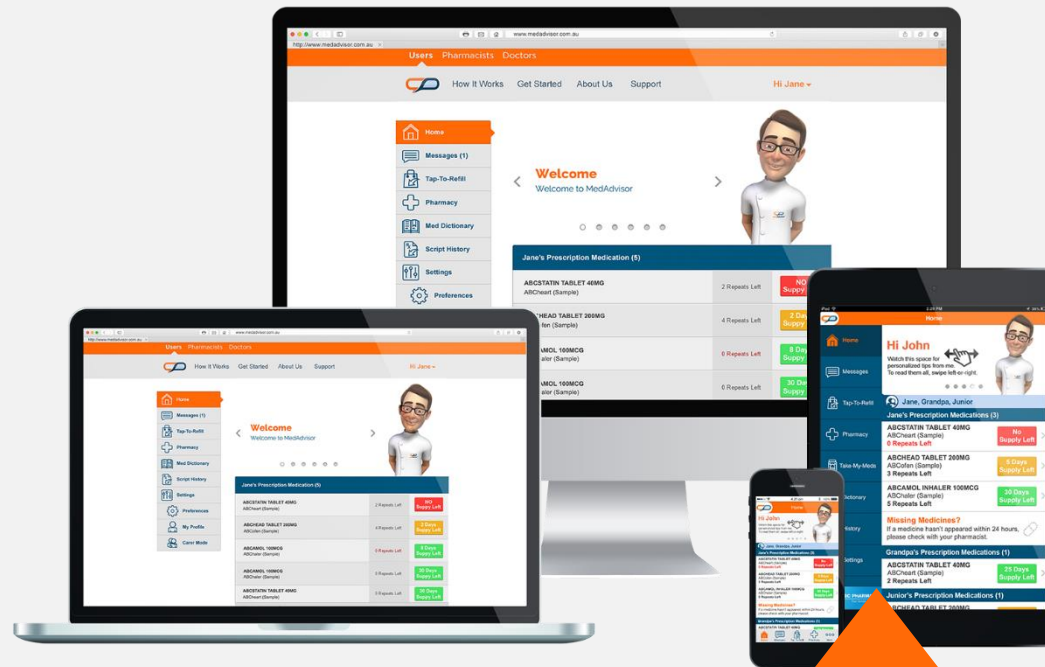
Medication Training

Automatically receive interactive training for supported medication – especially devices, unusual medicine forms, complex medicines.



Carer Mode[®]

Manage medications for multiple users in one account. Parents can manage meds for the family, or to assist elderly patients remotely.



Boosts medication adherence by up to

+20%

Higher

with
PEP

Digital Health Sector Presents a Significant Global Opportunity

More than 75% of all patients expect to use digital services in the future.³

Global digital health market is expected to reach **US\$233.3 billion** by 2020¹.

Global digital health market was valued at **US\$60.8 billion** in 2013¹.



In 2017, the mobile health market alone is expected to reach **US\$24.2 billion** worldwide ¹

In the US: Up to **\$US200 billion** could be saved by chronic disease management.²

“Digital healthcare will revolutionise the healthcare industry and dramatically reduce costs.” - Goldman Sachs

The MedAdvisor platform provides a web and mobile solution for medication management, operating in the global digital & mobile health market. It has a clear opportunity to take a substantial share of the market both domestically and internationally.

Value Proposition for the Consumer

Benefits

- **Convenience**
 - Easily track and manage scripts, medication & vitamin supply without going into a pharmacy
 - Set dose reminders and be reminded when you need to fill a scrip or vitamin (OTC) product
 - Order your medications & OTC products in advance so there is no waiting in pharmacy with Tap to Refill
 - Order repeat scripts without visiting the GP
- **Carers**
 - Have a carer or family member manage medication for you
 - Look after your parents or children on the one account

Global Market Opportunity

- 12 million patients with a chronic disease that require regular medication in Australia
- The number of people with chronic diseases are increasing, i.e.:
 - Diabetes: 45% rise in diabetes worldwide from 1990 to 2013 to ~350 million ¹
 - 300 million people worldwide suffer from asthma and this is expected to grow by more than 100 million by 2025

Source: 1 [The Lancet](#). 2. [The AAAAI](#).



REVENUE MODEL

Future

- Fees for Home delivery
- GP Repeat prescriptions fees
- Other transactional revenue fees

Value Proposition for the Pharmacy

- **Increased medication adherence leads to increased revenue**
 - MedAdvisor patients are ~20% more adherent which means 20% more revenue
 - Estimated \$564 billion in annual pharmaceutical revenue loss due to medication non-adherence ¹
- **Greater customer loyalty**
 - MedAdvisor Patients are 97% loyal to their favourite pharmacy
- **Work flow management**
 - scripts coming in overnight not at peak times
- **Enhanced free patient communication platform**
 - Send group broadcasts to total patient pool
 - Send disease group messages
 - Free to send messages vs. SMS

Dispense Volume Improvement for MedAdvisor Patients		
	28.83 %	25.16 %
Additional Scripts Filled per Patient Annually ⁷	7.68	6.61
Total MedAdvisor Patients	441	149
Average Revenue per Script	\$40	\$40
Additional Revenue per Month	\$11,290	\$3,283
Additional Revenue per Year	\$135,475	\$39,396

Global Market Opportunity

- 5,400 pharmacies in Australia
- 400,000 community pharmacies in Europe
- >60,000 in USA all dealing with similar issues



REVENUE MODEL

Now

- Monthly Subscription fees
- Premium product fees
- SMS fees

Future

- Home delivery & other transactional fees
- Home Medicine Review (HMR) referral fees

Value Proposition for the Manufacturer

- MedAdvisor has already demonstrated ability to sell into global pharmaceutical companies
- Leveraging platform to engage directly with patients for the first time
- Programs can be aimed to boost adherence, train patients on correct use of drugs or encourage further consultations with Drs.
- Increased revenue from increased adherence

MedAdvisor has engaged with 7 of the top 20 pharma companies in Australia – representing ~ 30% of the PBS



REVENUE MODEL

Now

- Patient Engagement Campaigns (PEP)
- As platform scales more \$ potential per campaign

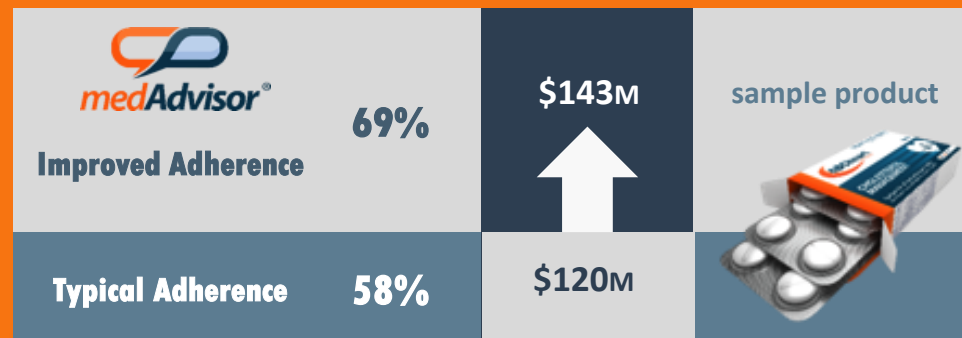
- Enhanced listings – like a premium classified

Future

- Potential for pharma companies to seek participants and manage drug trials on the platform

Global Market Opportunity

- Top 9 pharmaceutical companies generated \$8bn in revenue in Australia alone (2014) ¹
- Global pharmaceutical market = US\$1,057 billion ²



Sources: 1. AFR 2. Statista

Value Proposition for the GP

- Greater visibility of the patients medication and adherence to improve clinical outcomes
- Ability to reduce fragmentation of care, get patients coming back to you when they need scripts
- Improves practice management and audit trail for managing repeat script ordering
- Lead generation and revenue opportunity when patients may have not rushed to see a Dr for a low value appointment
- Ability to focus on higher value patients



REVENUE MODEL

Future

- GP consultation fees paid by patient - \$3-5 per order to MedAdvisor
- In house GP available where regular GP is not yet connected.

Market Opportunity

- 100m repeat prescriptions in Australia
- MedAdvisor estimate there are ~10 million GP appointments p.a. for repeat scripts and ~\$450 million in costs
- Over 26,000 GPs in Australia alone



Value Proposition for the Payer: Government & Insurers

1. Lower costs through reduction in hospitalisation rates reducing healthcare utilisation
 - 20-30% of all hospitalisations for patients over 65 yrs are due to medication misadventure¹
2. Improved health outcomes consistent with a focus on “wellness, instead of illness”
 - For every \$1,000 spent on prevention via medication³ adherence could save \$7,000 in the health system
3. Better customer experience through enhanced convenience, better education and access

Global Market Opportunity

- Reduced errors in medication could save the Australian government \$2.6 billion each year, \$1.2b in hospitalisations¹
- Over \$600 billion of avoidable healthcare costs internationally.²
- An estimated one third to half of patients in the US do not take medication as prescribed.³

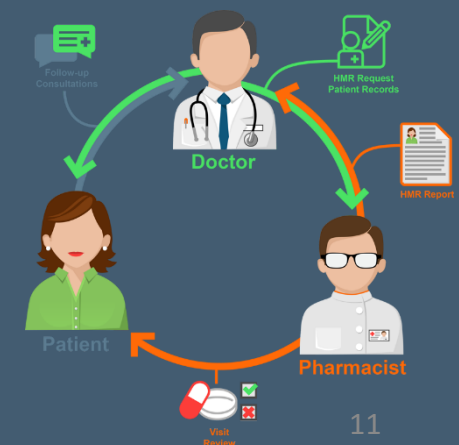
Sources: 1 Roughead, Semple, Rosenfeld, 2013 2. IMS Health Institute 2012 3. Pfizer Report – Value of Drug Adherence



REVENUE MODEL

Future

- Patient communication
- Data & insights opportunities



Healthnotes Acquisition Delivers Significant Growth in MDR Business

\$5.5 million total consideration, 60% cash and 40% in new MDR shares subject to due diligence

Brings together the two domestic leaders in patient communications and medication adherence management consolidating MedAdvisor's position as the leading Australian digital medication management company.

Substantially strengthens MedAdvisor's market position and accelerates its growth strategy and path to profitability in the following ways:



Delivers market dominance – significantly grows MedAdvisor network to **~45% market share >2,400 pharmacies**



Substantially increases the number of Australian patients connected from 220,000 to **500,000 people**



Accelerates entry into the GP Market with 4,000 GP's connected to Healthnotes GP Connect



Increases the number & value of prescriptions ordered through MedAdvisor's platforms to more than 320,000 prescriptions pcm will be ordered with an annualised value of approximately \$150m

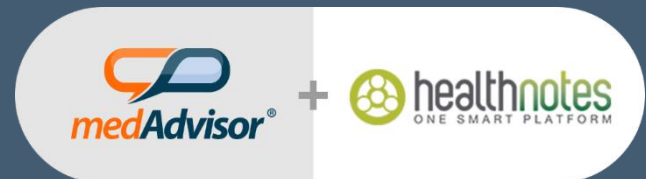


Strong financial synergies - substantial revenue accretion with some cost synergies available, earnings accretive in FY18



About Healthnotes

- Healthnotes is a private healthcare technology company and has a long track record supporting pharmacies and GPs.
- Approximately 20 staff, based in Melbourne.
- Core asset - smart SMS platform that manages patient medication adherence across multiple demographics.



Post Acquisition Growth Strategy & Next Steps

✓ Done

We were here



Phase One – 12 Months

Domestic: Land Grab

- Pharmacy Land Grab – 40-50% market share
- Patient Endorsement > 350,000

Domestic Health System connectivity;

- GPs technical build, pilot and initial roll out
- Partner with Disease Patient Groups, Private Hospitals and Insurers

Phase Two – 12 Months

Consumer Convenience

1. In house GP **Q1 CY17**
2. OTC Manufacturer Revenue **Q1 CY17**
3. Integrate Pharmacy apps **Q2 CY17**
4. Home Delivery Service **Q3 CY17**
5. Pharmacy Land Grab – targeting 55-65% market share **Q3 CY17**
6. 1m+ Patients **Q4 CY17**

Domestic Health System connectivity;

- 30% of GP's connected **Q4 CY17**
- 60+ Hospitals initiating patients

Phase Three

International Expansion

International Opportunities to be delivered:

- 1 International market entered by **Q3 17**
- Europe, North America Canada &/or US
- Exploring other markets

Plus adjacent domestic markets:

- ✓ Data analytics
- ✓ Government
- ✓ National Disability Service Scheme
- ✓ Clinical trial recruitment

Existing & new channel partners & key relationships to drive domestic land grab



Glaucoma Australia



Diabetes Australia



Bupa



Epilepsy Qld



Apotex

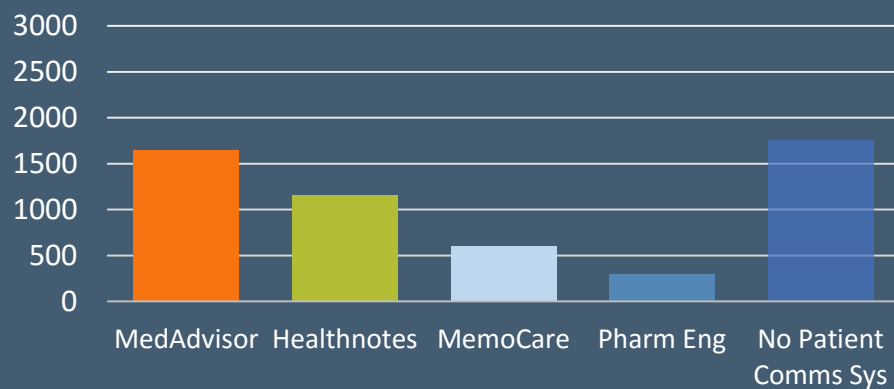


Arrow



Healthnotes Acquisition Drives MDR business forward 12mths+

CURRENT PHARMACY MARKET POSITIONS

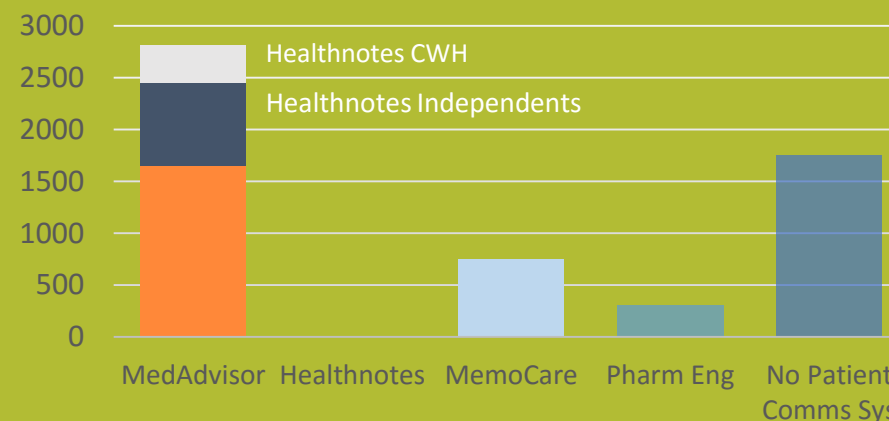


Healthnotes brings:

- Over 800 unique new ongoing independent pharmacies
- More than 4,000 GPs Connected to Healthnotes
 - Over 1,000 interact via online portal - strong synergies with MedAdvisor's new GP Link
 - Writing ~50,000+ scripts for 1700 Nursing Homes pcm



POST ACQUISITION PHARMACY MARKET



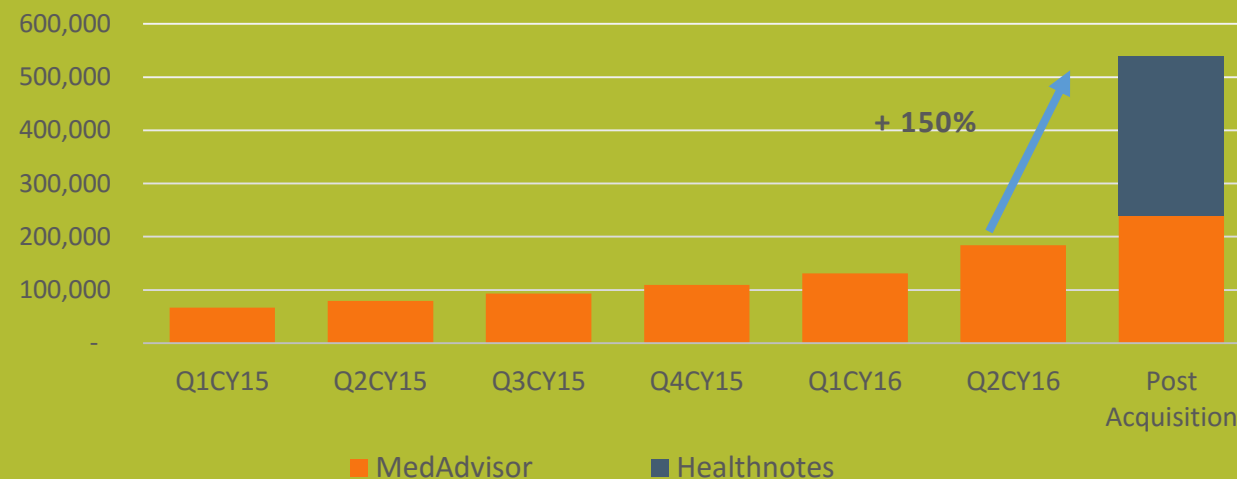
Accelerates Patient Growth

Healthnotes more than doubles patient numbers

- Grows connected patient numbers from 220,000 to now reaching over 500,000 total MDR patients
- Immediate enhanced patient pool for Patient Engagement Programs (App & SMS)
- GP Link offering can be leveraged to Healthnotes SMS customers
- Other transactional services can be built quicker from larger MDR community



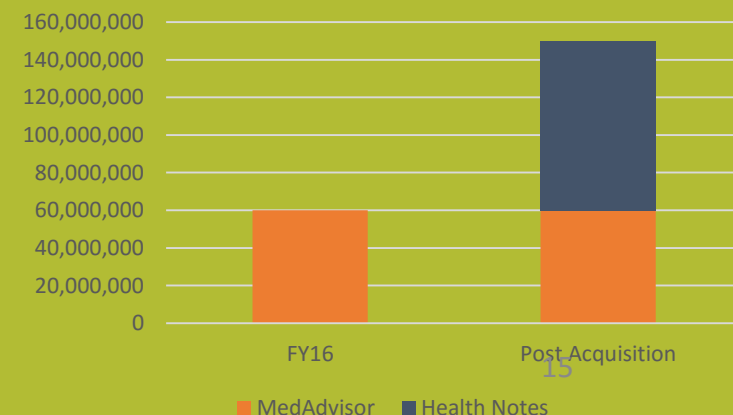
ACCELERATED USER GROWTH



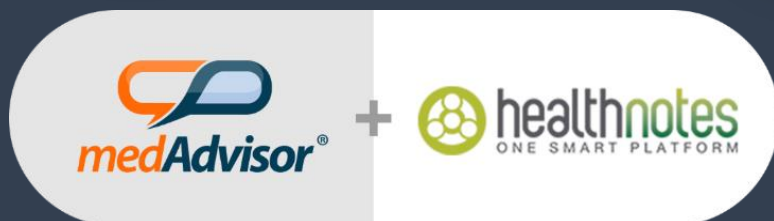
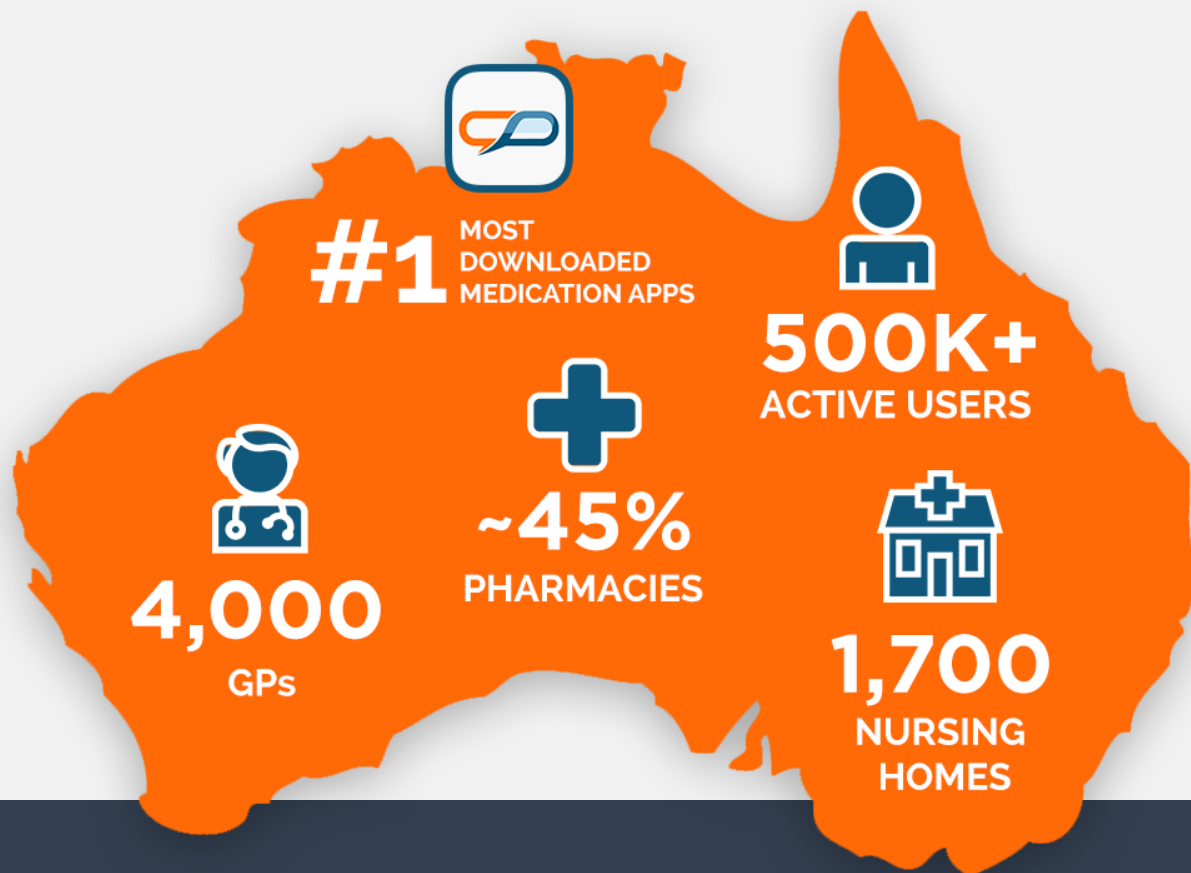
Increases the number and value of prescriptions ordered through MedAdvisor's platforms to more than 320,000 prescriptions per month.

An annualised value of approximately \$150 million ordered through the combined platforms

GROWTH IN TAP TO REFILL



Post Acquisition Snapshot & Current Capital Structure



MedAdvisor Ltd (ASX:MDR)

Shares on Issue	686m
Restricted/Unrestricted	44% / 56%
30 Day VWAP Share Price (1 Aug)	\$0.04
Market Cap	\$28m
Performance Shares, Rights & Options	337m
ESOP Provision total	up to 5%
Cash Balance (as at 30 June)	\$2.89m

Major Shareholders

Viv Swinnerton	15.6%
Kojent Pty Ltd	12.8%
Romida Enterprises Pty Ltd	8.5%
Sigma	2.4%

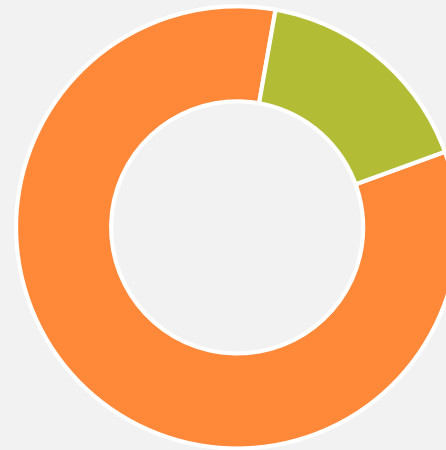
Transaction Overview

- \$5.5m purchase price, 40% Cash, 60% cash
- Completion of final due diligence by September 30
- Placement of new ordinary shares to raise up to \$8.0 million.
- Placement to be set at a price no less than 90% of the VWAP of shares over the 5 days prior to the issue
- Issue of consideration shares will be issued at 95% of the capital raising price

Use of funds - \$8m

	\$
Cash Consideration	\$3.3m
Transaction Costs	\$0.62m
Working Capital/Integrations	\$4.08
Total	\$8m

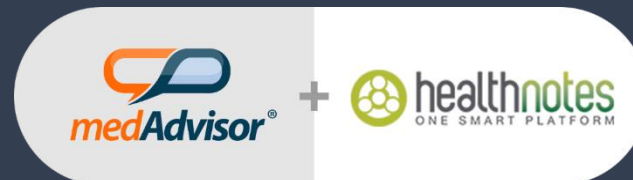
Combined EV at 29 July VWAP



■ MedAdvisor ■ Healthnotes

Transaction Timeline

Event	Date
Dispatch Notice of Meeting	9 th September
General Meeting	10 th October
Trading halt to conduct capital raising	10 th October
Terms of capital raising & halt lifted	12 th October
Cleansing Prospectus	12 th October
Issues of Shares	12 th October
Completion & close of offer under cleansing prospectus	17 th October



Lead Manager



The Placement is conditional on shareholder approval of both the Capital Raising and the issue of Consideration Shares in satisfaction of the purchase consideration under the Share Sale Agreement entered into with Health Enterprises 2 Pty Ltd and is only available to 'exempt' investors or 'sophisticated' investors. Investors must satisfy the requirements of either s708(8), 708(10) or 708(11) of the Corporations Act

The Team Post Acquisition

Executive

Robert Read, CEO

Experienced Private Equity and Venture Capital investor and previously a senior exec at GSK one of the worlds largest pharmaceutical companies.



Josh Swinnerton, Founder & CTO

20 years IT experience as software engineer, tech manager and entrepreneur. 8 years in the e-health / m-health sector, in the USA and Australia.



Theo Antonopoulos, Head of Sales & Marketing

Extensive sales & marketing experience at both GSK and Sanofi. Leading marketing & sales teams in GP, Specialist and Hospital channels.



Carlo Campiciano, CFO

Highly qualified accountant with over 27 years' experience in consulting to businesses. Significant time working in industry as a CFO.

Non-Executive

Peter Bennetto, Chairman

An experienced company director, with skills in banking, corporate finances and governance and has held a number of company director positions in exploration, mining.



Sandra Hook, Non Executive Director

An experienced director and has built major market leading digital businesses. Spent more than 20 years developing brand and marketing strategies for global and national brands.



Jim Xenos, Non Executive Director

Experienced pharmaceutical industry General Manager with 21 years' sales and marketing experience and a track record of leading high performing teams.



Joining from Healthnotes

Ashley Falting, Founder & Managing Director

Over 16 years of leadership of innovative, well regarded and mass-adopted products in the Australian healthcare industry such as Healthnotes, eClinic and SamplesPlus, servicing pharmacies, pharmaceutical suppliers, General Practitioner medical clinics and diagnostic laboratories.



Saurabh Mishra, Founder & Executive Director

Saurabh has co-founded and led five successful Information Technology based ventures in the health and wellness industry in the past 16 years, of which three were bought by some of the largest healthcare businesses in Australia.





Performance Shares, Right & Options

The terms of the Performance Shares, Rights and Options are all summarised in the Prospectus

Notes:

1 Performance Shares

Founders	170,000,000
Lead Manager	25,000,000
MMG	55,000,000

2 Performance Rights

CEO - Robert Read	42,500,000
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3 Options

P Bennetto - Chairman	10,000,000	Exercise price \$0.03 expiring 30 Nov 2018
Lead Manager	25,000,000	Exercise price \$0.03 expiring 30 Nov 2018

1. Performance Shares for Founders & Lead Manager

1. 2500 Pharmacies
2. \$5m Revenue

2. CEO Performance Rights

1. 5m, 5m, 2.5m will convert on \$5m, \$6.5m & \$8m revenue
2. 5m, 5m, 2.5m will convert on 500k, 750k and 1m patients
3. 5m, 5m, 2.5m will convert on 2,500, 3,750, 5,000 GPs
4. 1m, 1m, 1m, 1m, 1m convert on tenure of 6 months, 18 months, 36 months, 48 months, 60 months.

3. MMG

1. 5m for raising funding plus successful pilot of 40 GPs
2. \$1m, \$2m, \$4m & \$7m revenue targets from HMRs will justify 10m, 10m, 12.5m, 17.5m shares