



Dear Shareholders,

It has been sixteen months since ResApp Health listed on the ASX. Spinning out the technology developed by Associate Professor Udantha Abeyratne and his team from The University of Queensland was a bold initiative. Investors put their trust in a new management team and a new technology that promised to improve healthcare on a global scale. Since listing, our team and our partners at The University of Queensland and at clinical study sites have worked together to achieve outstanding progress.

Through the exceptional work of our clinical teams, we have enrolled over 1,800 children and adults in our clinical studies to date. Dr Abeyratne's team has expertly analysed the accumulated data, improved our algorithms and expanded their scope to encompass new applications. Our machine learning platform has performed extremely well and has been extended far beyond pneumonia and asthma to cover differential diagnosis of the most common childhood respiratory diseases. Preliminary results in our adult trials were excellent. We have also demonstrated the ability to measure severity of respiratory disease which opens up massive new markets associated with the management of chronic respiratory diseases.

On the regulatory front we have been working closely with our FDA consultants, both Experien Group in the US and Blue Curve in Australia to prepare for our first FDA submission. This led to a successful outcome from our Pre-Submission meeting with the FDA in March and we now look forward to our first regulatory submission expected in the first half of 2017.

During the last year ResApp and its team have received a number of accolades, the most recent being named the "Australian Emerging Company of the Year" at the "Johnson and Johnson Innovation Excellence Awards" at the AusBiotech National Conference in October 2016. This award was particularly significant as it highlights the progress we have made in building one of Australia's most innovative healthcare companies. Great publicity was gained from winning the 2016 Global Talent Unleashed "Best Tech IPO/Venture Capital Raising" Award as judged by an esteemed panel including Apple co-founder Steve Wozniak and Virgin Group founder Sir Richard Branson.

After being invited to present on World Pneumonia Day in New York in December last year, Dr Abeyratne was awarded a "People's Choice Award for Most Promising Childhood Pneumonia Innovation" and this year was named as one of Australia's Most Innovative Engineers 2016 by Engineers Australia, the leading body for engineering in Australia. Our clinical team also recently received recognition for their work. Dr Jamie Tan, a trainee working with our clinical team in Western Australia, was awarded the "Western Australian representative for the Royal Australasian College of Physicians

(RACP) Trainee Research Awards for Excellence, in the field of paediatric medicine”, and he will present at the national RACP conference in 2017.

Since its inception, ResApp has been fortunate to have the support of exceptional investors. Our market opportunities have expanded greatly with the rise of telehealth in Europe and Asia, and with significant interest from hospital emergency departments and outpatient clinics. These factors encouraged us to raise A\$12.5 million from new and existing institutional and sophisticated investors in April this year to expand more rapidly across a broader range of markets.

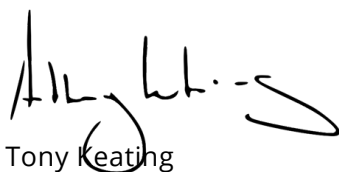
Our journey began with Dr Abeyratne’s team receiving a Grand Challenges Exploration Grant from The Bill and Melinda Gates Foundation to help improve the lives of those in the developing world. Pneumonia is the biggest cause of death of children under five globally and efforts to mitigate its impact remain hampered by the lack of low cost diagnostic tools. We are working with our global humanitarian partner to address this challenge and develop a product for the difficult environments in which they operate. We are delighted to have the opportunity to help improve conditions in regions of the world currently without adequate access to healthcare.

SMARTCOUGH-C, our US FDA registration study, is the next stage in our commercialisation journey. We are thrilled to be working with world-class clinicians at three leading US hospitals for the study. Having recently received our first institutional review board approval, we look forward to enrolling our first patient shortly.

Our new office in Brisbane, Australia, and our key hires in both software development and clinical operations leave us well positioned to meet our objectives for 2017.

Sixteen months down the road ResApp now stands on solid foundations. The company’s potential for changing lives and achieving stellar commercial growth has never been more exciting. We look forward to continuing this remarkable journey with you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tony Keating', with a stylized flourish at the end.

Tony Keating
Chief Executive Officer and Managing Director
ResApp Health Limited