



1st August 2018

**ASX Announcement - Quarter 2 Bodytel update:  
Unique Cannabis “smart” Vaporiser launch remains on track**

Lifespot Health Ltd (“Company”) is pleased to provide the Appendix 4C for the June 2018 quarter as well as an operational update on the progress of their BodyTel platform and the accelerated development of the unique Cannabis “Smart Bodytel integrated” Vaporiser.

Key financial and operational details for the quarter are as follows;

- \$140k in Cash Receipts from customers for the June quarter from LSH’s key clients, B.Braun and Beurer
- \$231k invoiced in the quarter for new projects completed
- Strong balance sheet with cash of \$3.284M as at 30<sup>th</sup> June 2018
- Integrated Seng Vital Vaporiser & Body Tel system presented to a number of TSX and ASX listed cannabis companies with already strong interest. Live demonstrations and trials are currently underway
- In discussions to acquire a Cannabis growing and export license holder to complete unique vertically integrated high margin cannabis vape system

**Bodytel & Seng Vital business development**

Body-Tel is an integrated digital diagnostic and monitoring system that combines enhanced sensor technology with self-learning algorithms, allowing patients and healthcare professionals to efficiently monitor chronic diseases, critical conditions and support medication dosing and adherence on their personal and professional digital devices including Smartphone, iPad / Tablets and desktop.

Located in Germany the Company’s team of medically focussed digital developers have a rigorous quality management system (QMS) that is ISO 13485 and IEC/EN 62304 certified.

The Company’s business development focus is on the launch of what the Company believes to be the first digitally integrated Cannabis Vaporiser to meet already identified large demand for the system, and to continue to provide key account software development and maintenance services for new diagnostic device launches to existing key accounts such as B.Braun, Buerer and Roche.

The B.Braun Omnitest 5 BT has been launched in Germany and United Kingdom with software developed by Bodytel and the Company continues provide maintenance and back end services to support this new product.

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The finger print activated Seng Vital vaporisers integration with the medically certified software infrastructure of Bodytel allows both patients and authorised physicians to retrieve and evaluate the readings and data collected by the vaporiser, providing security and supporting dosing management, safety and adherence in the new therapeutic area of cannabinoids.

Seng Vital, together with a leading device manufacturer, have developed the "reference standard" vaporizer which is now under evaluation by a number of Cannabis Companies and with ongoing demonstration commitments during August.

### **Unique vertically integrated cannabis system**

The company is currently in discussions to acquire a Cannabis growing and export license holder to complete unique vertically integrated cannabis vape system and deliver higher profit margins.

Two opportunities have been identified to acquire licenses and production expertise in the cannabis sector for investment in growing and processing capacity. This will significantly extend services on Bodytel and Sengvital and provide an integrated system approach to Cannabis Vaporising and other associated Cannabis products.

Upon a successful acquisition the Company is planning to launch the integrated Bodytel / Sengvital system as a branded Cannabis system with an extended product range. In addition to the integrated vaporiser system, the Bodytel platform also provides tracking support for other Cannabis formats such as creams, sprays and tablets, taking the Bodytel platform from an integrated diagnostic platform to a full service medical and recreational Cannabis treatment and dispensing platform.

The Company also plans to sell the fully integrated system to other Cannabis brands to support their medical and recreational product development and has already received positive feedback and interest in the integrated "smart" system during presentations to major Cannabis brands and developers during June and July.

Legal marijuana sales in the U.S. are estimated to grow by more than 27% per year through 2022 (assuming peak sales estimates each year). After hitting a peak of \$6.6 billion in legal sales in 2017, Factbook estimates that between \$18 billion and \$22.1 billion worth of cannabis could be sold to consumers through legal channels in 2022.

Heiner Emden, Executive Director of Lifespot Health Ltd. & Managing Director of BodyTel GmbH said "our integrated platform is the perfect delivery system for registered prescribers and large Pharmaceutical companies that are developing new cannabis products. Safety, adherence and efficacy are the key elements for any new medication and we are delighted to be able to provide this unique "lock and key" system to enable best practice cannabis delivery. In addition, we believe our platform is the perfect partner for countries approving recreational cannabis where safety and responsible usage are most important".

LSH considers that the recent proposal of Bill C-45 to legalise recreational marijuana use in Canada, along with other pending legislation changes presents huge first mover advantage with the integrated Bodytel / Sengvital system.

Further updates will be provided in due course.

**For further information:**



**Mr Justyn Stedwell**

Company Secretary

(03) 9191 0135

**About Lifespot Health Ltd.**

Lifespot Health an ISO 13485 certified company, operates within the digital health sector and is focused on developing and commercializing medical diagnostic and monitoring technology. Our systems and applications aim to bring efficiencies in the medical system to clients and end users, saving time and money.

Lifespot Health integrates software to combine enhanced sensor technology with self-learning algorithms, allowing patients and healthcare professionals to efficiently monitor chronic diseases and critical conditions on their personal and professional digital devices including Smartphone, iPad / Tablets and desktop.

## 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**

LIFESPOT HEALTH LTD

**ABN**

90 611 845 820

**Quarter ended ("current quarter")**

30 JUNE 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date ( 6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	140	306
1.2 Payments for		
(a) research and development	(480)	(1,091)
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs		
(f) administration and corporate costs	(218)	(409)
1.3 Dividends received (see note 3)		
1.4 Interest received	18	42
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(540)</b>	<b>(1,152)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments	(80)	(80)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 6 months) \$A'000
	(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	<b>Net cash from / (used in) investing activities</b>	<b>(80)</b>	<b>(80)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
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	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,904	4,516
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(540)	(1,152)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(80)	(80)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>3,284</b>	<b>3,284</b>

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	484	404
5.2	Call deposits	2,800	3,500
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,284</b>	<b>3,904</b>

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	66
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	
Directors and consulting fees		

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	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	


8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
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. <b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	600
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	
9.6 Administration and corporate costs	200
9.7 Other (provide details if material)	
<b>9.8 Total estimated cash outflows</b>	<b>800</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
10.1 Name of entity	N/A	N/A
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

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

Sign here:  .....  
Company secretary

Date: 31 July 2018 .....

Print name: Justyn Stedwell .....

**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.