volpara® health technologies

ASX ANNOUNCEMENT

VOLPARA SIGNS DISTRIBUTION AGREEMENT TO SELL SCREENPOINT MEDICAL'S DEEP LEARNING SOFTWARE FOR COMPUTER-AIDED DETECTION

Wellington, NZ, 8th July 2019: Volpara Health Technologies Limited (**Volpara**; ASX: VHT), a medical technology company whose artificial intelligence (AI) imaging algorithms assist the early detection of breast cancer, has today entered into a full distribution agreement with AI software company **ScreenPoint Medical BV**.

Highlights of the agreement:

- Volpara to begin selling ScreenPoint computer-aided detection software via its established direct sales force
- Five-year, non-exclusive contract with automatic renewal rights
- Parallel Launch at AHRA Medical Image Management conference, Denver and Singapore BreastDay Conference, July 20th
- Joint-venture-style revenue-sharing arrangement
- Following the acquisition of MRS Systems Inc. and the ScreenPoint distribution deal, the Volpara sales force can now sell a full set of products which potentially could generate up to US$10 of ARPU from breast imaging clinics

The agreement allows Volpara to distribute ScreenPoint's Transpara™ product to breast imaging clinics in Australia, New Zealand, the United States, and parts of Asia. Transpara is next-generation computer-aided detection software designed to help radiologists read screening mammograms by marking specific areas of the breast image as likely being cancer or not.

Combining the Volpara and Transpara solutions can optimise the early detection of breast cancer, thereby reducing radiologist liability and risk, and cut screening costs by potentially eliminating a reader in systems that deploy double-reading mammography.

Breast cancers can be missed or masked in a breast image for several reasons, including the following:

1. Breast density – the Volpara®Density™ clinical application helps identify this risk
2. Poor image quality – Volpara®Enterprise™ software and the Volpara®Live!™ system help reduce this risk
3. The radiologist not seeing the cancer – Transpara reduces this risk
4. The radiologist misinterpreting the cancer's appearance – Transpara reduces this risk

Volpara is building out its platform for delivering well-curated AI and other software applications to assist its customers in their efforts to reduce the mortality and cost of breast cancer. Dr Ralph Highnam, Volpara CEO, said the ScreenPoint distribution agreement is significant because it enriches Volpara's offering to breast imaging centres:

"Critically, it helps expand the software toolkit that our sales people can sell and increases potential ARPU still further beyond the Volpara and MRS products," Dr Highnam said. "Based on the clinical papers to date, we're sure that Transpara is world leading and will be very successful commercially, especially when it achieves its US clearance from the Food and Drug Administration (FDA) for 3D breast images."

ScreenPoint develops image-analysis technology for the automated reading of mammograms and digital breast tomosynthesis exams that exploit the latest AI developments. Founded by Professor Nico Karssemeijer and Professor Sir Mike Brady (two of Volpara's founders) in 2014, ScreenPoint is based in Nijmegen, the Netherlands.

ScreenPoint's Transpara™ software has been approved for 2D breast imaging and 3D to be sold in the Australian and New Zealand markets. Furthermore, it has 510(k) Clearance from the FDA for 2D breast imaging and is in the process of applying for clearance for 3D.

"Compared to traditional computer-aided detection products for mammography, ScreenPoint's Transpara Decision Support product delivers much more clinically useful information to the radiologist," said Dr Ritse Mann, breast imaging specialist at Radboud University Medical Center, Nijmegen. Dr Mann uses the system clinically and has evaluated its performance in several studies. "I can use Transpara as a second reader, and its opinion is as good as that of a colleague," he said.

ScreenPoint CEO Prof Karssemeijer, well known for his pioneering work in computer-aided detection and breast imaging, said: "As a cofounder, I am excited that ScreenPoint and Volpara will now partner to bring Transpara, our AI solution for breast cancer detection, to the United States and other markets. Volpara is well established in the breast space globally, and together the two companies can work to help breast practices improve cancer detection and streamline mammography reading."

Dr Highnam added: "Professor Karssemeijer's seminal works on automated detection, and more recently machine learning and AI, are globally recognized as first class, and we're delighted to have ScreenPoint join our common cause. Adding an important product like Transpara Decision Support is a perfect step for us."

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ABOUT VOLPARA HEALTH TECHNOLOGIES LIMITED (ASX: VHT)

VHT is a MedTech SaaS company founded in 2009 on research originally conducted at Oxford University. VHT's clinical applications for screening clinics provide feedback on breast density, compression, dose, and quality, while its enterprise-wide practice software management helps with productivity, compliance, reimbursement, and patient tracking.

VHT's technology and services have been used by customers and/or research projects in 38 countries and are supported by numerous patents, trademarks, and regulatory clearances, including FDA clearance and CE marking. Since its listing on the ASX in April 2016, VHT has raised A$95 million, including A$55 million in June 2019. VHT is based in Wellington, New Zealand.

For more information, visit www.volparasolutions.com.