

ASX RELEASE

Volpara Health cements lung screening expansion via strategic relationship with Seattle-based lung AI company RevealDx

Highlights

- Volpara further expands its footprint in the lung cancer screening market with a strategic partnership with Seattle-based lung AI company Precision Medical Ventures (PMV), trading as RevealDx
- RevealDx is one of the leaders in the application of AI for lung nodule diagnosis (the task after detection) with their RevealAI-Lung product
- RevealAI-Lung is CE marked and working towards TGA and FDA clearance
- Volpara entered the lung cancer screening market with its June 2019 acquisition of Seattle-based MRS Systems, Inc., Volpara® Lung™ software currently covering ~8% of the US market
- Partnership will enable lung cancer screening programs to have access to expanded services for patient reporting and tracking through to AI for detection and diagnosis
- Volpara to invest US\$250,000 into RevealDx through a convertible note
- Volpara to receive non-exclusive rights to sell the RevealAI-Lung product into the US, a number of free licenses to seed the market, and exclusive rights to sell RevealAI-Lung into Australia and New Zealand
- Volpara also to receive the right to appoint a Board Observer to the RevealDx Board
- Total available market for lung AI screening is estimated to be up to US\$750M globally, once screening programs ramp up

Wellington, NZ, 16 September 2021: [Volpara Health Technologies](#) ("Volpara," "the Group," or "the Company"; ASX: VHT), a global health technology software leader providing an integrated platform for the delivery of personalised breast care, today announces it has further expanded its footprint in the US lung screening market with a strategic relationship with Seattle-based lung AI company RevealDx.

This follows Volpara's recent collaboration agreement with leading US lung imaging company Riverain Technologies and provides Volpara a low-risk way to further expand following market and regulatory feedback.

RevealDx, formerly known as Mindshare Medical, is a Seattle-based software company focused on dramatically improving lung cancer outcomes by delivering the most advanced, radiomics- and AI-enabled, lung cancer decision-support software to drive the optimal clinical pathway for each patient based on automated analytics of each lung nodule.

RevealDx has recently been recapitalised and rebranded by CEO Chris Wood, an experienced entrepreneur formerly of Confirma and Clario. Its patented, CE-marked software product integrates with picture archiving and communication systems (PACS) and scores nodules found in lung CT, informing better clinical decision making. John Pavlidis, a director of Volpara, was a director of Clario.

Dr Ralph Highnam, Volpara CEO, said of the partnership: “When we acquired MRS in June 2019, we entered the lung cancer screening market with their practice management software covering about 8% of the US lung cancer screening market. Since then, the benefits of lung cancer screening using low-dose computed tomography (CT) have become more widely accepted globally, with the US doubling the number of people eligible, and countries like Australia starting the process of scoping out nationwide programs. Despite the clear benefits of screening in reducing mortality, a major issue those programs face is the number of false-positive nodules found not just in routine screening but incidentally while scanning for other diseases such as pneumonia. That differentiation of nodules is exactly what RevealDx has been focusing on. We look forward to working closely with them to bring that technology to market as part of an integrated lung cancer screening platform.”

Under the agreement, Volpara will invest into RevealDx, who will then commence the regulatory process of obtaining TGA and FDA clearance and see publication of two pivotal studies. In return for the investment, Volpara will receive exclusive rights to sell the RevealAI-Lung product in Australia and New Zealand, non-exclusive rights to sell in the United States, and a number of free licenses to seed the market. Volpara also gains the right to appoint a Board Observer to RevealDx’s Board.

“This is a pivotal moment for lung cancer screening globally, and our involvement in it,” Dr. Highnam added. The combination of RevealDx and Volpara and other parties will be as compelling in lung as Volpara is in the breast space today.”

Wood said: “Volpara has a solid market share in lung, and we look forward to working closely with them to fully integrate RevealDx’s AI capabilities into a wider lung offering both here in the United States and into Australia and New Zealand. By informing precision medicine, our products will improve follow-up for millions of patients. The ability to diagnose early, inform treatments, and optimise the total cost of care will be a game-changer.”

US lung cancer clinical pathways

After lung CT, up to 20–30% of patients are revealed to have lung nodules which need to be worked up as either benign or malignant. That workup typically includes additional lung CT in a

few months' time through to surgical biopsy. In addition, many lung nodules are found incidentally when imaging is being performed for other reasons, such as shortness of breath, chest pain, or injury. It is estimated that once US screening fully ramps up, costs of up to ~\$10Bn might be incurred by payers on additional imaging, biopsies, and the complications arising from some of those biopsies each year.

Early clinical data for RevealAI-Lung suggests that many cancers can be detected earlier by using the AI nodule analysis rather than waiting for a scan in a few months' time, while simultaneously reducing false positives, with potentially significant cost savings. Based on those cost savings, RevealDX believes the total available market for AI lung globally could be over US\$750M in recurring revenue, with the aim of selling to payers and providers first and seeking reimbursement in the United States.

Authorisation & Additional Information

This announcement was authorised by the Board of Volpara Health Technologies Limited.

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About Volpara Health Technologies Limited (ASX: VHT)

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

VHT's technology and services have been used by customers and/or research projects in 39 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\$132 million, including A\$37 million in April/May 2020, and has made two significant acquisitions in MRS Systems, Inc. (patient tracking software), and CRA Health, LLC (risk and genetics software). VHT is based in Wellington, New Zealand.

For more information, visit <https://www.volparahealth.com/>

About RevealDx

RevealDx is a Seattle-based software company whose vision is to dramatically improve lung cancer outcomes. RevealDX achieves this by delivering the most advanced, radiomics- and AI-enabled, lung cancer decision-support software, driving the optimal clinical pathway for each patient.

For more information, visit <https://reveal-dx.com/>