

15 January 2019

Execution of Distribution Agreement with EnvoyAI

Resonance Health Limited (ASX: RHT) (“Resonance Health” or “Company”) is pleased to announce that it has entered into a Distribution Agreement with EnvoyAI Inc (formerly known as WIA Corporation), a US Delaware Corporation (“EnvoyAI”) (“Distribution Agreement”), for the distribution of the Company’s FerriSmart® product, which recently received FDA regulatory clearance (see ASX announcement dated 3 December 2018).

Headquartered in Durham, NC, EnvoyAI is the world’s first medical imaging artificial intelligence (“AI”) marketplace and it provides a cloud-based, vendor-neutral distribution platform that integrates machine learning into radiology, giving physicians access to over 53 AI solutions developed and delivered by more than 31 AI partners globally.

The platform, called EnvoyAI Exchange (“EnvoyAI Platform”), comprises a content-rich AI marketplace for medical tools including a refined suite of market-ready AI solutions aimed at promoting wider access and clinical use of medical imaging algorithms within busy radiology practices.

Under the Distribution Agreement, EnvoyAI has the non-exclusive right to market, promote, and sell, FerriSmart®, the Company’s automated AI liver-iron-concentration quantification tool, through the EnvoyAI Platform. EnvoyAI shall retain a commission on sales facilitated on the EnvoyAI Exchange (see ‘Material Terms’ below). In addition to the distribution of FerriSmart® through the EnvoyAI Platform, EnvoyAI also has the non-exclusive right to refer other Resonance Health products to end-users. EnvoyAI shall be paid a commission on sales referred in this manner (see Material Terms below).

The Distribution Agreement will enable seamless integration of the Company’s ground-breaking machine learning solution, FerriSmart®, into the EnvoyAI Exchange, which is being sold into a customer base of over 5,000 installations globally, including 85 of the largest 100 hospitals in the US.

Resonance Health CEO, Alison Laws, said this of the Distribution Agreement: “Resonance Health is delighted to be working with EnvoyAI to deliver accessible, scalable, solutions for radiology to provide the highest quality data and support tools to assist clinical decision making and patient management. All existing and future customers of EnvoyAI will now have access to FerriSmart® in seamless integration with their existing workflows and Resonance Health looks forward to being of service.”

Alison Laws
Chief Executive Officer

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About EnvoyAI:

EnvoyAI facilitates the streamlined distribution and hospital implementation of trained machine learning algorithms via a vendor neutral distribution platform. The platform allows users anywhere to access cloud-based algorithms without requiring access to the algorithm code or training data to protect Protected Health Information and developer intellectual property. EnvoyAI provides for rapid deployment via a scalable, secure, cloud-based infrastructure with the ability to add local components to facilitate on-site deployments as well. EnvoyAI works with distribution partners to make algorithms on the platform available to a very wide footprint of hospitals and, ultimately, to physicians. For more information, visit <https://www.envoyai.com/>

Distribution Agreement - Material Terms:**Parties:**

1. Resonance Health Analysis Services Pty Ltd (wholly owned subsidiary of Resonance Health); and
2. EnvoyAI, Inc. (formerly known as WIA Corporation), a Delaware corporation.

EnvoyAI's role in the distribution:

EnvoyAI, its referral partners and their distributors will have the non-transferable, non-exclusive, right to market and promote FerriSmart[®] and other Resonance Health products when sold through EnvoyAI's Platform or referred to Resonance Health by EnvoyAI. EnvoyAI retains the right to distribute and sell third-party products and services that may be compete with Resonance Health products, and Resonance Health retains the right to sell through distribution channel partners that may be compete with EnvoyAI products. EnvoyAI will, at its expense, develop the market, provide co-branded marketing material, and deploy a fully trained sales force to sell the Resonance Health products.

Resonance Health's role in the distribution:

Resonance Health provides the FerriSmart[®] product to EnvoyAI for distribution via the EnvoyAI Platform. Resonance Health retains the right to distribute and sell products outside of the Distribution Agreement, either directly or through third parties, including distributing products on platforms that may be competitive with the EnvoyAI Platform. Resonance Health shall determine the territories in which the FerriSmart[®] product may be offered.

Material terms of the Distribution Agreement:

EnvoyAI shall retain a commercially confidential commission for its sale of the FerriSmart[®] product. EnvoyAI shall pay Resonance Health an amount equal to the FerriSmart[®] sale revenue less its retained commission ("Platform Product Revenue Share"). Payments to Resonance Health of the Platform Product Revenue Share shall be reduced by any associated referral partner marketing incentive commissions and shall be paid by EnvoyAI to Resonance Health within forty-five (45) days of the end of the applicable calendar month in which EnvoyAI receives payment of the platform product revenues for the associated platform product. Additionally, Resonance Health agrees to pay EnvoyAI a commercially confidential commission for each sale

of non-platform Resonance Health products (FerriScan, CardiacT2*, HepaFat Scan) when those sales are a direct result of the efforts of EnvoyAI.

Term and Termination:

Subject to the terms and conditions of the Distribution Agreement, the initial term of the contract is one (1) year. Following the expiration of the initial term, the Distribution Agreement will be automatically renewed for successive two (2) year periods, unless either party provides written notice of termination at least thirty (30) days prior to the end of the then-current term.