

Advanced Human Imaging concludes formal agreements and due diligence with Triage Technologies to progress DermaScan.

Highlights

- **AHI has concluded all required due diligence required under the Binding term sheet.**
- **AHI has now executed all formal agreements with Triage Technologies.**
- **AHI to implement Triage’s Artificial Intelligence (AI) “health assistant” technology within the *CompleteScan* SaaS offering.**
- **Triage AI technology platform can currently identify 588 skin conditions in 133 major categories via smartphone and is currently available in 200 countries around the world.**
- **The Triage AI platform has been used over 600,000 times since launch in late 2019.**
- **Advanced Human Imaging will also take a strategic equity stake in Triage.**

Advanced Human Imaging Limited (ASX: AHI) (Advanced Human Imaging) is pleased to update shareholders with the completion of all due diligence and entry into a binding technology license agreement and subscription agreement with Canadian based Triage Technologies Inc. (**Triage**).

As previously announced AHI and Triage entered a binding term sheet which was subject to satisfactory due diligence and formal agreements being entered into pertaining to AHI taking a strategic equity stake in Triage and the execution of a global distribution license to use the Triage AI health assistant technology. The intention between the parties is to integrate the AI engine into the *CompleteScan* offering.

Triage has developed the world’s most advanced dermatological AI system which can accurately identify skin conditions from a photo in only seconds. The technology was created using a proprietary database that is not only the largest of its kind in the world, but it is also larger than those of IBM and Google combined. Triage received a USA patent for its system in 2020, with further jurisdictions to follow.

The AI engine identifies 588 skin conditions in the major 133 categories. Importantly, the application can identify all categories of skin cancers. Those 133 categories of skin conditions cover 99% of the global derma conditions market and has been built in consultation with leading academic institutions and dermatologists around the world.

The Triage web application was released at the end of 2019 and has had over 175,000 people use the application over 600,000 times, with 12% of the initial user base being clinicians utilizing this new tool to provide an improved standard of care. Triage is being used by individuals and clinicians in over 200 countries worldwide, allowing skin conditions of all skin types and tones across all ethnicities to be detected and identified.

The accuracy of the sophisticated AI engine has been tested against dermatologists and has proven to be more accurate more often than a dermatologist. In a recent study in Canada conducted with 157 dermatologists, the Triage application beat 154 dermatologists and tied with 3 dermatologists in identifying various skin conditions including both benign and malignant skin lesions. Benchmarking data for this study was originally published in the *European Journal of Cancer*.ⁱⁱⁱ

The need for an accessible and easy-to-use application such as Triage is well understood in the current global environment, especially with 1 in 5 Americans and 2 in 3 Australians expected to develop a skin cancer by

the age of 70. With early detection and intervention, the 5-year survival rate for melanoma is 99% as stated by the US Skin Cancer Foundation.ⁱⁱⁱ Further cited works have identified skin and related subcutaneous conditions affecting an estimated 1.9 billion people at any given time and they remain the fourth leading cause of non-fatal disease burden worldwide, affecting 30-70% of individuals and prevalent in all geographies and age groups.

Access to dermatological care is limited due to a shortage of dermatologists, causing long wait times and leading patients to seek dermatology care from general practitioners. Skin disease is also one of the most common chief complaints in a primary care context, with 8-36% of patients presenting with at least one skin complaint. However, dermatologists are consistently in short supply, particularly in rural areas, and their consultation costs are rising. Thus, the burden of initial triage and subsequent diagnosis commonly falls on non-specialists such as primary care physicians (PCPs), nurse practitioners (NPs), and physician assistants. Because of limited dermatology knowledge and training in this specialty for hundreds of conditions, diagnostic accuracy of non-specialists ranges from 24-70%. Low diagnostic accuracy can lead to poor patient outcomes, such as delayed or improper treatment.

To expand access to specialists and to improve diagnostic accuracy, store-and-forward “tele dermatology” has become more popular, with the number of such programs increasing by 48% in U.S. non-governmental programs between 2011 and 2016. In store-and-forward tele dermatology, digital images of affected skin areas, typically captured with digital cameras or smartphones, are transmitted along with other medical information to a dermatologist. The dermatologist then remotely reviews the case and provides consultation on the diagnosis, work-up, treatment, and recommendations for follow-up. This approach has been shown to result in similar clinical outcomes compared to conventional in-person consultation in dermatology clinics, and improved satisfaction from both patients and providers^{iv}.

- 85 Million Americans (i.e., 1 in 4 individuals of all ages) were seen by a physician for at least 1 skin disease in 2013.
- In 2013, skin disease resulted in direct healthcare costs of \$75 billion and indirect lost opportunity costs of \$11 billion.
- The costs and prevalence of skin disease are comparable with, or exceed, other diseases with significant public health concerns, such as cardiovascular disease and diabetes.^v

Triage will license Advanced Human Imaging to use the Triage AI engine, and the companies will work together to integrate Triage’s technology into the Advanced Human Imaging-owned *CompleteScan* platform. The Advanced Human Imaging team, with its ‘on-device’ expertise, will be advancing the AI engine of Triage to be an on-device ready to use application for consumers. Advanced Human Imaging and Triage intend to integrate the patented solutions to expand the capabilities of their image capture suites for the global market.

Under the terms of the technology license agreement, the companies expect to complete the integration of the Triage applications into the *CompleteScan* platform with the first demonstrable product expected to be made available in Q3 2021.

The subscription agreement contemplates a number of payments to Triage in which Advanced Human Imaging will pay a total of up to USD\$3m (less payments of US\$600,000 which have already been advanced). Some of these payments are ‘at call’ from Triage, so are currently not binding commitments. Advanced Human Imaging has sufficient funds to meet the initial payments obligations under the agreement and will meet the remaining payments through cashflow or, if required, Advanced Human Imaging will raise additional capital to meet its future commitments. In this regard, Advanced Human Imaging notes that the payment schedule is spread out over 14 months.

The material terms of the subscription agreement and the technology licence agreement are set out below.

Summary of Material Terms of Subscription Agreement:

Item	Summary/Details
Parties	Advanced Human Imagine Limited (AHI) Triage Technologies Inc (Triage)
Conditions Precedent	None
Investment Amount	AHI has agreed to invest a total of up to USD\$6,000,000 into Triage, being USD\$3,000,000 in cash and USD\$3,000,000 in AHI ordinary shares (AHI Shares).
Investment Stages	<p>AHI has already invested USD\$600,000 in cash at the date of this announcement, with further payments over the following 14 months as set out below.</p> <p>On or prior to 27 May 2021, AHI will:</p> <ul style="list-style-type: none"> • pay Triage US\$400,000 in cash; and • subject to Triage’s election (refer to “AHI Shares section below”), issue Triage US\$1,000,000 worth of AHI Shares. <p>The remainder of the investment will be made in four further tranches of USD\$500,000 in cash and USD\$500,000 worth of AHI Shares will be made on call by Triage, with a minimum of 60 days between each tranche.</p> <p>The deemed issue price and timing for the AHI share issues is set out below.</p> <p>On completion of all tranches of the investment, AHI will hold an equity interest in Triage of approximately 15.19% (on an undiluted basis and based on the current shares on issue).</p>
First right of refusal	AHI has a first right of refusal over future capital raisings by Triage, so that AHI has the option to follow its money and avoid dilution.
AHI Shares and deemed issue price	<p>Triage may elect to delay the issue of the AHI Share component of the subscription amounts until after AHI has completed its proposed NASDAQ listing.</p> <p>If Triage receives AHI Shares in the existing ASX listed AHI, the deemed issue price for those shares will be:</p> <ul style="list-style-type: none"> • A\$0.95 per AHI Share for the first USD\$500,000 worth of AHI Shares to be issued under this agreement; and • the volume weight average price for AHI Shares traded on ASX in the 5 trading days prior to issue for subsequent issues. <p>If Triage receives AHI Shares in a re-domiciled NASDAQ listed AHI (AHI USA), the deemed issue price for those shares will be:</p> <ul style="list-style-type: none"> • where Triage has issued a Notice of Election (see below), the initial listing price for shares in AHI USA; or Shares are listed on the NASDAQ; or

	<ul style="list-style-type: none"> otherwise, the volume weight average price for AHI USA shares traded on NASDAQ in the 5 trading days prior to issue. <p>Within 21 days of AHI re-domiciling to the US and listing on NASDAQ, Triage can elect to accelerate the remaining tranches of the investment and receive 100% of the AHI Shares that remain unissued under the Subscription Agreement in the form of shares in AHI USA (Notice of Election). The cash components of the subscription amount payable by AHI will still be payable on the timetable outlined above.</p>
Shareholder approval	All issues of AHI Shares to Triage in the existing ASX listed AHI under the agreement are subject to and conditional on AHI shareholder approval.
Governing Law	The Province of Ontario and the federal laws of Canada that are applicable to that province.

Summary of Material Terms of Licence Agreement:

Item	Summary/Details
Parties	Advanced Human Imagine Limited (AHI) Triage Technologies Inc (Triage)
Conditions Precedent	None
Licence Terms	Triage has granted AHI a worldwide, non-exclusive and non-sublicensable license to access Triage's clinical decision support system (System), to input images and other patient data via Triage's proprietary web application program interface (Triage API), and to have AHI customers use the System (together, the Licence).
Jurisdictions and authorisations	The System may be used by AHI for demonstration purposes in any jurisdiction, however AHI must not otherwise make the System available in any jurisdiction where Triage or the AHI (as applicable) has not obtained any approval from an applicable governmental authority which is required for the proposed use of the System by AHI (or its consumers) in that jurisdiction.
Pricing	The cost of AHI's use of the Licence will be determined by the parties on a case-by-case basis.
CompleteScan Licence	AHI has agreed to enter into an agreement with Triage for the grant of a worldwide, non-exclusive license to Triage to commercialise (i.e., to use, reproduce, make available, publicize, advertise, market, promote, sub-license, sell, provide or distribute to Triage's clients) the CompleteScan Platform together with the Triage API, as a separate, non-integrated application to the System, or as a combined, integrated application with the System. AHI will update its shareholders once this licence has been granted.
Financial Impact	AHI does not expect any immediate material financial return as a result of entering into this agreement. AHI expects to start generating licence and other fees from the commercial arrangement in the future (which cannot be forecast at this time).

Vlado Bosanac, Chief Executive Officer of Advanced Human Imaging, said:

“It has been a pleasure working with Tory and the team at Triage over the last few months. We have now concluded the technology license allowing AHI global distribution of the Triage technology and simultaneously we have agreed to enter into an agreement to grant Triage the distribution rights to the CompleteScan platform. We will provide the shareholders with an update once this agreement has been signed. Over the past 3 months, we have received a number of expressions of interest in the Triage capabilities. Our teams have used this time to become acquainted with each other and the ways to integrate the combined offerings. DermaScan as it will be known in the AHI product suite, was of significant interest to Bearn as the rate of death in the US from Skin Cancers is as high as 2 people an hour. It is fundamental to the mortality rate that these conditions are diagnosed early. When diagnosed early enough the mortality rate drops below 10%.

The MultiScan platform strategy that Advanced Human Imaging has developed will soon offer, BodyScan, FaceScan and DermaScan. Triage is a complimentary addition to the NuraLogix capabilities of Facial Scanning using Transdermal Optical Imaging. This also proved to be a very attractive and complementary addition to the deep suite of image captures that Advanced Human Imaging is releasing to the world.

As I have shared with you all over the last few months, I am looking to expand AHI’s ability to monetize its aggregate capabilities amongst the vast amount of people that are gaining access to our platform through the many contracts which AHI has executed, and which are now starting to “go live”.

By bringing in platforms like personal health/wellness and medical checking application, the addition of Triage not only broadens user/market interest in AHI capability, but also generates better service by combining all these functionalities directly on the smartphone/mobile device. Consequently, these technologies and wider utilization should significantly improve the value of AHI.

The company will continue to identify complimentary partnerships like Triage with a view to extending its overall capabilities through partnerships or acquisition”.

About Triage Technologies Inc.

Triage’s mission is to bring the unique healthcare benefits of artificial intelligence to patients and practitioners worldwide. Triage was formed by an international group of doctors and scientists on a mission to deliver universal care using artificial intelligence.

With the support of world-renowned institutions, Triage has developed breakthrough technology which can detect skin disease using a smartphone.

We know the complexities of dermatology can be daunting, so we’ve developed a tool to provide you with an instant second opinion. You can compare your diagnosis to our expert AI’s opinion. Triage gives you a list of possible conditions from your photo and helps you think of things you might have missed.

Triage offers a unique clinical platform that empowers dermatologists, physicians, and nurses to get an instant second opinion of a patient’s skin condition. Just snap a photo with your smartphone or tablet and submit it. You’ll be able to confirm your diagnosis and ease the concerns of you and or your patients quickly and confidently.

Why continue to be uncertain and anxious about your skin problem when there’s no need to delay identifying it or becoming confused by searching skin conditions online? Triage is a unique tool developed by leading dermatologists and powered by artificial intelligence to help you analyse and identify your skin condition easily and accurately.

For more information please visit: www.triage.com

About Advanced Human Imaging:

The Company has developed and patented a proprietary technology which enables its users to privately check, track, and accurately assess their dimensions, solely using a smartphone. AHI refers to this physical measurement and analysis tool as “BodyScan.” AHI is globalizing its technology in order to assist individuals, communities and populations live healthier lives, worldwide.

AHI’s patented technology allows individuals, via an automated system, take a series of images of themselves using a smartphone which delivers accurate and repeatable measurements across the individual’s entire body. These measurements allow the individual to understand his/her dimensions and the physical changes which they are undergoing through diet, exercise and lifestyle. Further, the images that AHI captures also provide the individual with an understanding of their health risk related to certain chronic diseases (including obesity and related diseases such as diabetes). AHI uses global standards set by the World Health Organization (WHO), and the International Diabetes Federation (IDF) when assessing and deriving this information feedback loop.

The Company has recently advanced its technology to run these complex mathematical algorithms directly on the user’s smartphone, rather than limiting that computation to the Cloud. AHI’s overarching technology strategy has been to take advantage of the mobile device’s accelerated performance, specifically by utilizing on-device general purpose Graphic Processing Units (GPU).

AHI delivers a non-invasive, highly accurate and privacy-sensitive solution which returns results within seconds. The Company leverages machine-learning and computer vision to analyze images, detect pose and joint features, and create non-personally identified data for measurement estimation. AHI takes advantage of dedicated GPU libraries such as TensorFlow Lite (Android) and Metal (Apple) to run prediction models, which have been trained with a substantial and diverse human data set proprietary to the company from around the globe, which is enabled on device to process multiple captured images in fractions of a second. The result is a solution that runs on-device and does not sacrifice speed, security or privacy. Images and private information never leave the users personal device, ensuring security and privacy standards are met across global regions and requirements. This unrivalled process allows us to produce exceptional results and simplify the output of useful, reliable, digital measurements and remove the human error otherwise present in traditional methods.

Advanced Human Imaging’s MultiScan platform simplifies the collection of bio metric measurements across the body, vital signs and skin conditions, reducing the human error present in traditional information gathering and analysis methods.

For more information please visit: www.advancedhumanimaging.com

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*This announcement has been approved by the board of Advanced Human Imaging Limited.

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ⁱ <https://skinclass.de/mclass/>

ⁱⁱ [https://www.ejcancer.com/article/S0959-8049\(18\)31562-4/fulltext](https://www.ejcancer.com/article/S0959-8049(18)31562-4/fulltext)

ⁱⁱⁱ skincancer.org/skin-cancer-information/skin-cancer-facts/

^{iv} <https://arxiv.org/ftp/arxiv/papers/1909/1909.05382.pdf>

^v [https://www.jaad.org/article/S0190-9622\(17\)30016-6/pdf](https://www.jaad.org/article/S0190-9622(17)30016-6/pdf)