



Bearn / MyFiziq enter Joint Marketing and Expansion Funding to Target 1,000,000-monthly users.

Highlights

- Bearn Application expanding volume capability.
- Bearn has over 56,000,000 users pre-registered for the combined application.
- Bearn will increase platform capacity to allow mass onboarding.
- MyFiziq to loan US\$500,000 to Bearn over 4 months for marketing and expansion.
- Bearn to use funding to improve platform capabilities and then marketing expenditure to target signing 1,000,000 active monthly users to the MyFiziq platform.

MyFiziq Limited (ASX: MYQ) (MyFiziq) would like to update shareholders with today's funding agreement entered into with Bearn LLC (Bearn),

MyFiziq and Bearn have been working together over the past 60 days formulating a marketing and expansion plan, to target both the delivery of 1,000,000 users and the required expansion to the Bearn platform to allow for the volume provisions required to support the large already existing pre-registered users.

Bearn approached MyFiziq wanting to execute on a large-scale campaign to their pre-registered users. It was outlined by Bearn management that the scale of which they had received pre-registrations would not be possible based on the existing specifications of the Bearn platform. To achieve this outcome, Bearn required a small injection of development capital and then a further joint amount to execute on a direct to pre-registration onboarding campaign.

After consultation with the team and board at MyFiziq, it was agreed that MyFiziq will fund a total of US\$500,000 to Bearn over 4 tranches. With an initial US\$200,000 paid for the platform scale to be implemented, followed by 3 x US\$100,000 payments for the direct onboarding campaign. The loan is secured over Bearn's software and separately a pledge over the membership interests of Bearn's founder, Mr Aaron Drew.

Summary of Material Terms:

Item	Summary/Details
Parties	MyFiziq Limited (MYQ) Bearn LLC
Conditions Precedent	None
Formal Agreements concluded	The loan and security agreements between the parties pursuant to which MYQ will fund US\$500,000 to Bearn LLC. <ul style="list-style-type: none">• Bearn Pledge Agreement• Bearn Promissory Note• Bearn Security Agreement



<p>Minimum User Undertaking and consequences of not hitting target</p>	<p>Under the terms of the agreements, Bearn has undertaken to use the funds advanced by MyFiziq to deliver 1,000,000 active monthly users to MyFiziq within 12 months. If Bearn fails to achieve this target, the loan and interest becomes repayable in 15 months from the date of the promissory note. If Bearn achieves this target, the repayment date will be extended for a further 12 months.</p>
<p>Security</p>	<p>Under the terms of the security agreement, the CEO and Founder of Bearn has pledged his 88% ownership in Bearn as security on the loan. MyFiziq has already been granted security over the Bearn software.</p>
<p>Financial Impact</p>	<p>MYQ expects to start generating license revenue and other fees from the agreement and marketing campaign but is unable to give clear guidance at this time. Any revenue derived will depend on timing for active users commencing subscriptions on the MyFiziq platform.</p>
<p>Interest charges and User target on funds under the agreement</p>	<p>The unpaid principal amount of the Loan shall bear interest at the following interest rates per annum (the “Interest Rate”):</p> <ul style="list-style-type: none"> (i) During the period beginning on the Issue Date and ending on the date which is 12 months from the Funding Completion Date, interest shall accrue at a rate of eight percent (8%) per annum; (ii) During the period from (but not including) the date which is 12 months after the Funding Completion Date until the Maturity Date, following such date interest shall accrue pursuant to the following: (iii) In the event that the Borrower achieved less than five hundred thousand (500,000) unique monthly active users using the MyFiziq platform by such date, interest shall accrue at a rate of fifteen percent (15%) per annum; (iv) In the event that the Borrower achieved five hundred thousand (500,000) or more unique month active users but less than seven hundred fifty thousand (750,000) unique monthly active users using the MyFiziq Technology by such date, interest shall accrue at a rate of twelve percent (12%) per annum; (v) In the event that the Borrower achieved seven hundred fifty thousand (750,000) or more unique monthly active users but less than one million (1,000,000) unique monthly active users using the MyFiziq Technology by such date, interest shall accrue at a rate of ten percent (10%) per annum; and (vi) In the event that the Borrower achieved one million (1,000,000) unique monthly active users or more using the MyFiziq Technology by such date, the interest rate shall be zero percent (0%).
<p>Forgiveness</p>	<p>The Parties acknowledge and agree that, in the event that the Borrower increases the number of Unique Users using the MyFiziq Technology to no less than two million (2,000,000) unique active user per month at any time prior to</p>



	the Maturity Date, the Loan and any and all principal and accrued and outstanding interest shall be immediately forgiven, and the Promissory Note shall be cancelled.
Loan Term	12 months, which may be extended as outlined above.
Governing Law	New York

Bearn presents a unique multi-sided vendor backed platform that allows for the gamification and engagement of health with users. Users earn actual cash for improving their health, fitness and wellness. To date, Bearn has been able to demonstrate a 75% retention rate of its users. Bearn is focused on partnering with companies that are looking to build retention through rewarding their consumers for achieving their fitness and weight loss goals. Bearn is using its expert industry knowledge and global strategic networks to bring the world its innovative application to the mass market consumer through multiple industries such as Health, and wellness providers and many of the world's largest wearables manufacturers and distributors.

The MyFiziq technology is embedded into the Bearn application and ready to reach into the 56,000,000 pre-registered users they have acquired through their existing partnerships. With the new expanded platform integration, customers of Bearn are able to access the MyFiziq technology, via the Bearn app, which is now available on the Apple App Store & Google Play Store. The Bearn application, with the MyFiziq in-app scanning capability, has been released on both iOS, and Android to deliver maximum reach into their current pre-registered users.

Bearn and MyFiziq have completed the initial integration of the MyFiziq SDKs. Bearn's users are now able to track changes in their body shape, weight and health using the MyFiziq technology as they follow Bearn's coaching, fitness and nutritional programs. MyFiziq is an integral part of Bearn's rewards offering as the primary check point of dimensional and body composition change goals being achieved. Bearn users earn access to the MyFiziq tracking technology under the Bearn reward program where they will receive an ability to check their goals are being achieved each week through the dollars they have earned. MyFiziq will be paid US\$2.00 per scan from Bearn. In addition to this, the parties have agreed to also now offer a 12-month subscription at a cost of USD\$3.99 a month when purchasing an annual subscription to the measurement functionality, totalling USD\$47.88 per annum allowing unlimited scans.

In just a few short years, Bearn has become a global player, securing contracts across multiple verticals, from health platforms, health, and fitness retailers to government bodies and some of the world's largest wearables manufacturers and gym chains. All of these partnerships have resulted in over 56,000,000 pre-registrations for the application, which now includes the MyFiziq platform capabilities.

We previously planned a staged release with Bearn, but it quickly became apparent that the current scale capacity of the platform fell short on the needed specifications. Hence, the agreement between Bearn and MyFiziq to assist with funding and technology support driving a more robust and broader user onboarding program.

Vlado Bosanac, Chief Executive Officer of MyFiziq, said:

“Bearn is a great company, and it was roadblocked due to the US COVID lockdowns and inability to roadshow and source new capital. I saw this as an opportunity to work with an already established partner and to enable Bearn to reach our joint goals. With 56,000,000 potential users, it would be a shame to not empower Bearn to onboard a number that is significant to MyFiziq and a substantive move forward for Bearn. The sheer number of pre-registrations Bearn has confirmed across all of the partnerships demonstrates they have an audience with an immediate desire for the Bearn product offering. Due to the exponential growth over the recent months, it has caused Aaron Drew CEO of Bearn more concern than joy.



MyFiziq understands the requirement for uninterrupted scale for the users and I was happy to act on the needs of our partner and the potential it brings to MyFiziq. Aaron is very confident on the ability to deliver the number once the platform has the depth required to support the proposed influx. The launch of new improved Bearn app has been targeted for April 2021, giving Bearn ample time to make the platform improvements and engage the marketing campaign for the onboarding process.”

Aaron Drew, CEO & Founder of Bearn, said:

"This funding will help Bearn hit its target and strengthen the relationship with MyFiziq. The number of pre-registrations we have achieved is beyond any expectation we had when modelling the business and application capacity. This caused some delays, as we needed to have a robust and volume ready build. This has seen several changes in both our application, backend through put and design. I am happy to say we underestimated the attraction of a cash rewards system for users wanting to have appropriate motivation, when going after their health and fitness goals.

I am extremely appreciative of the funding support and will be targeting the user number as a priority to return the support and trust we are being shown. I believe that this technology will enhance the engagement and gamification of health with our users and strengthen the value we bring to our advertiser and brand partners. This additional functionality has been a strong point of difference when demonstrating the Bearn offering and has played a very important strategic role in the reason we have expanded so quickly.!"

About Bearn

Bearn is an exciting and new multi-sided health platform that has a unique experience for consumers, advertisers and corporations. It allows users to earn cash for exercising while interfacing with health and fitness brands all while building a health profile.

When consumers download the Bearn app, they can "burn it and earn it." Using just a smartphone they can measure steps, flights, and distance, which the app automatically converts to calories burned. Users earn one penny for each active calorie burned, enabling them to earn hundreds of dollars a year just for staying healthy and making healthy choices. Participants also can sync their app with a wearable fitness device (such as a Fitbit or an Apple watch for example), to track and be rewarded for additional healthy behaviour's (heartbeat, sleep patterns, etc.). Users earn additional cash for endorsing brands on social media, for inviting friends to download the app, and for getting an annual physical or a flu shot each year (and more).

Consumers control their own data and monetize it for themselves instead of surrendering their information and allowing it to generate revenue for Facebook or Google. When users grant permission, their healthy activities are shared with wellness and fitness companies eager to connect with health-focused consumers. When cashing out, users engage with a brand partner and depending on the offer, they can deposit the cash they earn, use it to purchase from advertisers, contribute their earnings to charity, or even pay membership dues to a health club sponsoring the free app, or insurance premiums when their insurance company provides them the benefit, for example.

In addition to consumers being able to earn cash for active calories burned, Bearn is creating the first ever health credit score for consumers. This is a unique, proprietary Health Credit Score, similar to a financial FICO score that will aggregate multiple sources of verified health information in one place, enabling users to assess their health status and identify areas to focus on for specific improvements. The score incorporates independent research from a 45,000-patient study.

Lastly, Bearn is currently developing a food analytics benefit tied to grocery store purchases to help consumers combine healthy nutrition with exercise to reach their fitness goals. With consumer permission, supermarkets will report each user's qualifying purchases and Bearn will reward users with additional cash.

ASX Announcement
Friday 22nd January 2021



The Bearn App with MyFiziq inside can be offered free by businesses for their employees and customers, by associations for their members, and by charities for their donors.

*This announcement has been approved by the board of MyFiziq Limited.

For more information contact:

Vlado Bosanac,
Chief Executive Officer
MyFiziq Limited
E: admin@myfiziq.com

Steven Richards,
Chief Financial Officer
MyFiziq Limited
E: admin@myfiziq.com

About MyFiziq:

MyFiziq has developed and patented a proprietary dimensioning technology that enables its users to check, track, and assess their dimension using only a smartphone privately and accurately.

Our goal is to assist our partners by empowering their consumers with this capability. This in return gives our partners the ability to assess, assist, and communicate outcomes with their consumers when navigating day to day life. Whether this is a personal journey to better health, understanding the risk associated with their physical condition, tracking the changes they are experiencing through training, dieting, or under medical regimes. or simply wanting to be correctly sized for a garment when shopping online. The MyFiziq technology delivers this seamlessly, privately, and cost-effectively in under one minute.

Our partner benefits from our (SAAS) Software as a service pricing solution, that reduces with scale. Integration is made easy with the MyFiziq modular system, based on multiple (SDK's) software development kits, allowing a partner to select the functions, measurements, and displays to suit their individual needs.

MyFiziq has developed this capability by leveraging the power of Computer Vision, Machine Learning, and patented algorithms, to process these images on secure, enterprise-level infrastructure, delivering an end-to-end experience that is unrivaled in the industry. MyFiziq simplifies the collection of measurements and removes the human error present in traditional methods.

For more information please visit: www.myfiziq.com