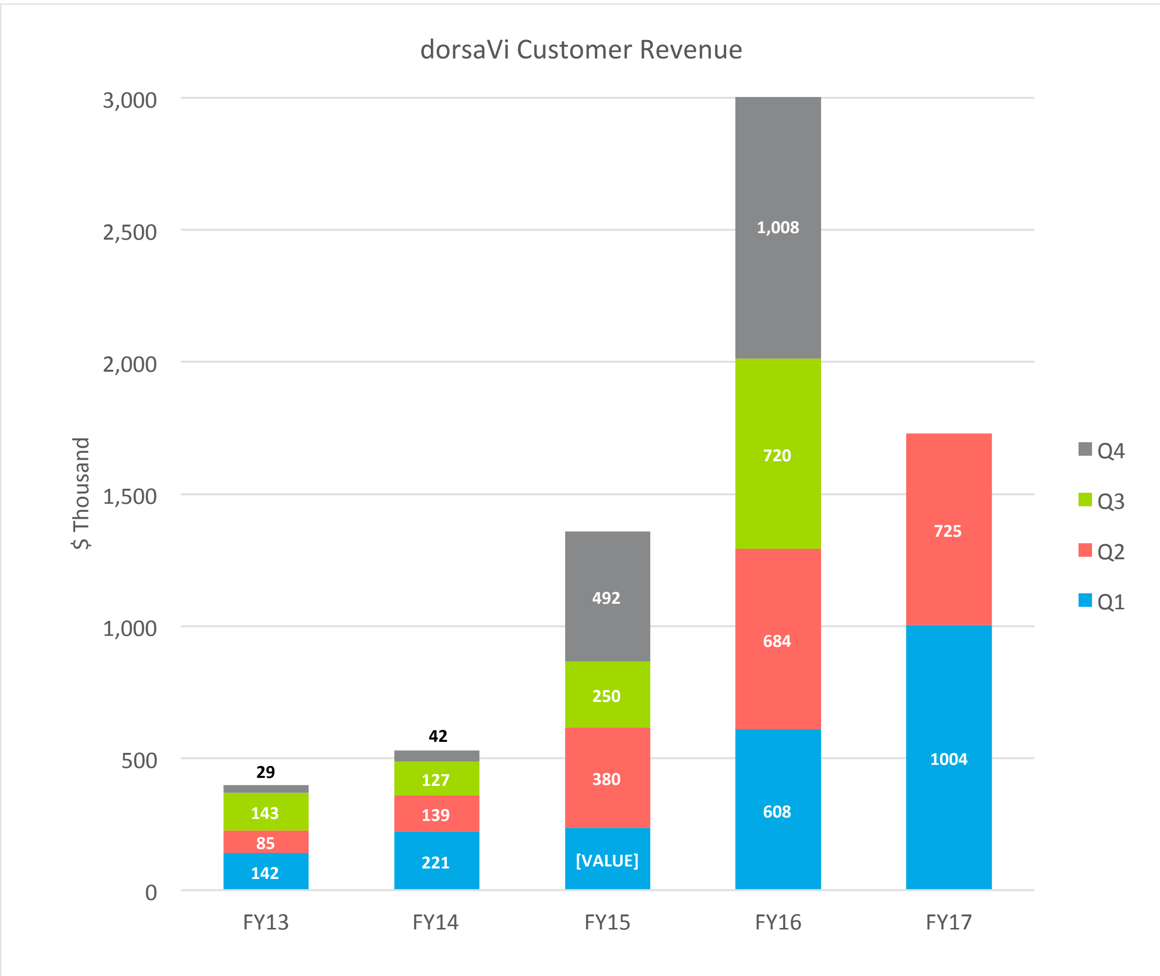
4C Quarterly Cashflow Report

Summary of key financials and business performance:

- **Customer revenue is $1.73m in H1 FY17 (up 33.8% from $1.29m in H1 FY16).**
- **Customer revenue is $725k in Q2 FY17 (up 6.0% from $684k in Q2 FY16).**
- **Revenue from ordinary activities is $1.95m in H1 FY17 (up 45.6% from $1.34m in H1 FY16).**
- **Revenue from ordinary actitivies is $921k in Q2 FY17 (up 28.6% from $716k in Q2 FY16).**
- **Receipts from customers H1 FY17 $1.97m (up 50.4% from $1.31m in H1 FY16).**
- **Receipts from customers Q2 FY17 $658k (down 11.1% from $740k in Q2 FY16).**
- **Net operating cash outflows H1 FY17 of $1.04k (a 70% reduction from $3.51m in H1 FY16).**
- **Net operating cash outflows Q2 FY17 of $825k (a 54% reduction from $1.81m in Q2 FY16).**
- **Capital raising of $8m (before costs) completed. $5m raised before 31 December 2016 and $3m raised in January 2017.**
- **Cash on hand at end of the quarter of $8.90m (compared to $5.77m at 30 September 2016).**

Melbourne, Australia. 30 January 2017. dorsaVi Limited (ASX DVL) has today released its 4C Cashflow Report for the period ended 31 December 2016.

dorsaVi reports H1 receipts from customers of $1.97m, up 50.4% on H1 FY16 ($1.31m), together with a strong revenue result for H1 of $1.73m (up 33.8% on H1 FY16). Total revenue from ordinary activities of $1.95m, up 45.6% on H1 FY16 ($1.34m). The cash balance is currently $8.90m.



Key developments include:

- US H1 FY17 customer revenue of $518k exceeded full year US FY16 customer revenue of $454k. The US sales agency model is resulting in the uptake of ViSafe in the US market and delivering a growing pipeline. Access to reimbursement codes is supporting continued growth in the US clinical market.
- Q2 Australian revenue impacted by Christmas seasonality.
- Recorded UK revenue impacted by UK currency devaluation arising from the Brexit vote.
- Operating costs remain stable and well controlled.
- The successful launch of myViSafe with Crown Resorts and additional US and Australian customers.
- The introduction of myViSafe brings annuity revenue to the OHS ViSafe product line.
- Continued capital investment in new product development with $714k of expenditure including staffing cost of $376k in Q2 FY17.
- The completion, in January 2017, of a capital raising of $8m (before costs) with $5m being banked before 31 December 2016.

"I am delighted with the continued growth in revenue we are achieving in the US. Revenue has grown again this quarter and our US H1 FY17 revenue exceeds the total FY16 US revenue", said Andrew Ronchi, Chief Executive Officer, dorsaVi.

- ENDS –

For more information or to arrange an interview, contact:

MEDIA	INVESTOR
Megan Connell	Rebecca Wilson
dorsaVi Ltd	Buchan Consulting
0416 116 526	0417 382 391
mconnell@dorsavi.com	rwilson@buchanwe.com.au

About dorsaVi

dorsaVi (ASX:DVL) is an ASX company focused on developing innovative motion analysis device technologies for use in elite sports, occupational health and safety and clinical applications. dorsaVi believes its wearable sensor technology enables – for the first time – many aspects of detailed human movement and position to be accurately captured, quantified and assessed outside a biomechanics lab, in both real-time and real situations for up to 24 hours.

Our technology has applications across three sectors:

- **Clinical**: ViMove is transforming the management of patients by providing objective assessment, monitoring outside the clinic and immediate biofeedback. ViMove is currently used by medical and physiotherapy practices in Australia, the United Kingdom and the United States.

- **Elite Sports:** ViPerform is allowing coaches and medical teams managing elite athletes and teams to screen athletes and provide objective evidence for decisions on return to play, measure biomechanics and provide immediate biofeedback out on the field, tailor and track training programs and optimise technique and peak performance. ViPerform is being used by AFL and NRL clubs, Cricket Australia and the Australian Institute of Sport (AIS) in Australia. Barclays Premier League (EPL) clubs in the UK and US based sports clubs from the National

Basketball Association (NBA), the Major Soccer League (MLS) and the National Football League (NFL) as well as various Olympic teams and athletes internationally.

- **OHS:** We combine innovation, measurement and quality to reduce workplace incidents, costs, meet compliance and improve brand reputation. ViSafe enables employers to assess risk of injury for employees as well as test the effectiveness of proposed changes to workplace design, equipment or methods based on objective evidence. ViSafe has been used by major corporations including Sodexo, London Underground, Vinci Construction, Crown Resorts, Caterpillar (US), Monash Health, Coles, Woolworths, Toll, Toyota, Orora (formerly Amcor), Crown and BHP Billiton. Australian Workplace Compliance delivers risk mitigation through compliance to OHS, Quality Management Systems, Company Policy and Process.

Further information is available at www.dorsavi.com.

+Rule 4.7B

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

dorsaVi Ltd

ABN	**Quarter ended ("current quarter")**
15 129 742 409	December 2016

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	658	1,986
1.2	Payments for		
	(a) research and development	(246)	(728)
	(b) product manufacturing and operating costs	(217)	(467)
	(c) advertising and marketing	(54)	(112)
	(d) leased assets	-	-
	(e) staff costs	(491)	(1,355)
	(f) administration and corporate costs	(672)	(1,272)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	22	51
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	175	853
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(825)**	**(1,044)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(44)	(57)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	(714)	(762)
	(e) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(758)**	**(819)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	5,000	5,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	8	28
3.4	Transaction costs related to issues of shares, convertible notes or options	(292)	(292)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**4,716**	**4,736**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of quarter/year to date	5,769	6,029
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(825)	(1,044)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(758)	(819)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,716	4,736
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of quarter**	**8,902**	**8,902**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	3,827	2,693
5.2	Call deposits	5,075	3,076
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**8,902**	**5,769**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	110
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Made up of the following:

1. Salary and superannuation to CEO (director of the entity) and CTO (substantial shareholder of the entity) of $66k
2. Non-Executive Directors' fees and expenses reimbursements of $44k

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	39
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Rent and related costs paid to Starfish Ventures Pty Ltd (an entity associated with Dr Panaccio, a director of the entity).

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Research and development	354
9.2	Product manufacturing and operating costs	207
9.3	Advertising and marketing	114
9.4	Leased assets	-
9.5	Staff costs	955
9.6	Administration and corporate costs	404
9.7	Other (provide details if material)	-
9.8	**Total estimated cash outflows**	**2,034**

10.	**Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)**	**Acquisitions**	**Disposals**
10.1	Name of entity	N/A	N/A
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal		
10.4	Total net assets		
10.5	Nature of business		

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: (Chief Financial Officer) Date: 30 January 2017

Print name: Damian Connellan

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.