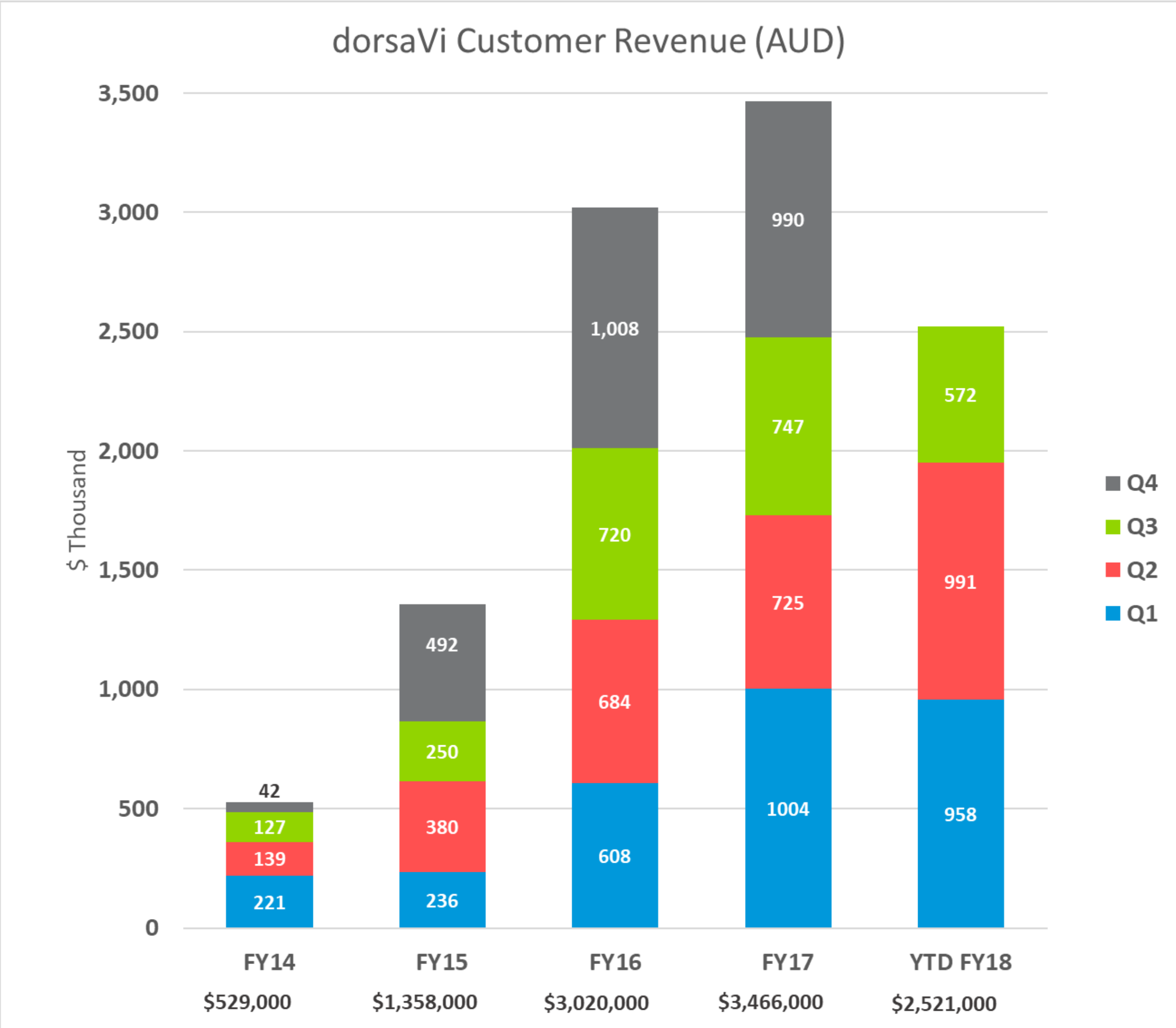
BUSINESS UPDATE AND MARCH QUARTER CASH FLOW

Summary

- **Receipts from customers for FY18 YTD of $3.61m, up 26% PCP**
- **Receipts from customers for Q3 of $1.27m, up 44% PCP**
- **Customer revenue FY18 YTD of $2.52m as compared to FY17 YTD of $2.48m**
- **Q3 customer revenue of $572k down 23% PCP.**
- **Net operating cash outflows $1.19m for Q3 FY18, down 22% PCP**
- **Cash on hand of $5.41m at end of Q3 as compared to $6.75m at the end of Q2**

Melbourne, Australia. 30 April 2018. dorsaVi Limited (ASX DVL) has today released a business update and 4C cash flow report for the period ended 31 March 2018.



Cash receipts from customers for Q3 FY18 were $1.27m, up 44% from $881k in Q3 FY17.

dorsaVi generated $2.52m in customer revenue for FY18 YTD, up from $2.48m FY17 YTD. Revenue for the quarter of $572K was substantially down on PCP, impacted by seasonal factors, structural changes, delays in signing two large contracts, and the continued transition towards an annuity based revenue model, particularly in the US market.

Net operating cash outflows for Q3 FY18 of $1.19m represents a $344k reduction when compared to net operating cash outflows of $1.53m for Q3 FY17. This reflects increased customer receipts in the current period.

The cash balance at 31 March was $5.41m as compared to $6.75m at 31 December 2017.

Operational Changes

During the quarter, dorsaVi announced a series of operational changes to better align resources with a product driven sales focus. These changes include the relocation of CEO Dr Andrew Ronchi to the US and the promotion of Matt May to General Manager (based in Australia). Mark Heaysman has returned to Australia and will continue with the business in a senior sales capacity.

The Company has completed a review of its operations. From 1 July the Company will report and manage its operations along product lines rather than the current geographical lines. The Company believes this strategic move will allow for improved efficiencies, support a stronger focus on dorsaVi's product offering and future sales growth. The Company will maintain its focus on driving revenue in parallel with cost control.

In a further important move to strengthen dorsaVi's first move advantage in the sophisticated wearables space, the Company has appointed its first Chief Technology Officer, Mr David Erikson. David has strong technical and commercial experience in developing medical productsHis experience also spans engineering, executive and consultant roles in companies ranging from startups to large multinationals including Intel, Advanced Micro Devices, and Covidien (now Medtronic)."He will be responsible for leading doreaVi's software, hardware and production teams.

Recruitment is also underway to increase dorsaVi's sales capacity and reach in the US, with the plan to recruit OHS and Clinical sales resources in the South and Central regions where there is a strong industry focus and no current coverage. This will give dorsaVi coverage of the East Coast, West Coast, Central Belt and South and will support the agency model and third party sellers in place.

Operational update

During the quarter, dorsaVi secured a contract with Fortune 500 Company Stryker, one of the world's leading medical technology companies, to use the ViSafe™ workplace assessment solution. This contract is an example of a high profile company in a new industry seeking to capitalise on ViSafe™'s broad applicability, reflecting the growing demand for data-driven solutions.

dorsaVi also laid preparations for the launch of dorsaVi Professional Suite (ViMove2) in the US planned for May, including sales readiness preparation, training, stock allocation and promotional planning.

Commenting on the results, dorsaVi Chief Executive Officer Dr Andrew Ronchi noted: "Our results highlight the need to increase the rate of customer acqusition as the proportion of our revenue that is annuity based increases. The changes to our sales structure and the release of dorsaVi's Professional Suite (ViMove2) should assist the company to build its annuity revenue. We also look forward to partnering with organisations that can accelerate our growth into the OHS market."

Conference Call

dorsaVi CEO Dr Andrew Ronchi is hosting an investor WebEx to discuss the quarter results on ***Monday, 30 April at 10.00am AustralianEastern Standard Time.***

Participation details:

Australia	*+61 2 8090 8323 or Toll Free on 1800 064 762*
Hong Kong	*30713074*
Singapore	*800 101 3333*
United States	*+1 (657) 220 3242 or Toll Free 1 888 585 9008*

Conference room access code: *798-421-770*

- ENDS –

For more information about dorsaVi or to arrange an interview, please contact:

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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 and ViMove2 are transforming the management of patients by providing an 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. ViMove2 is currently used in Australia and the United Kingdom.

- **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, England and Wales Cricket Board and Board of Control for Cricket in India, 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 and myViSafe enable employers to assess the risk of injury for employees as well as test the effectiveness of proposed changes to workplace design, equipment or methods based on objective evidence. Our workplace safety solutions are 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.

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	March 2018

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	1,271	3,613
1.2	Payments for		
	(a) research and development	(422)	(828)
	(b) product manufacturing and operating costs	(173)	(542)
	(c) advertising and marketing	(143)	(438)
	(d) leased assets	-	-
	(e) staff costs	(1,334)	(3,469)
	(f) administration and corporate costs	(410)	(1,533)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	21	90
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	1,053
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,190)**	**(2,054)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(29)	(54)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	(131)	(1,101)
	(e) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 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**	**(160)**	**(1,155)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	7	7
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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**	**7**	**7**

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	6,749	8,609
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,190)	(2,054)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(160)	(1,155)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7	7
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of quarter**	**5,406**	**5,406**

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	3,331	3,174
5.2	Call deposits	2,075	3,575
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)**	**5,406**	**6,749**

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	124
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) of $76k
2. Non-Executive Directors' fees and expenses reimbursements of $48k

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	46
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	117
9.2	Product manufacturing and operating costs	183
9.3	Advertising and marketing	146
9.4	Leased assets	-
9.5	Staff costs	1,596
9.6	Administration and corporate costs	345
9.7	Other (provide details if material)	-
9.8	**Total estimated cash outflows**	**2,387**

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: Date: 30 April 2018

(Chief Financial Officer)

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.