

28th April 2021

ASX Announcement

QUARTERLY ACTIVITIES, CASHFLOW REPORT and OPERATIONS UPDATE

Quarter ended 31st March 2021

Lifespot Health Ltd (ASX:LSH) ("Lifespot or the Company") is pleased to provide the quarterly activities and cash flow report and an update of operations.

Operational highlights are as follows:

- Cash reserves as at 31st March 2021 were \$3.764m
- Net cash used in the quarter for operating activities (\$180k)
- Cash receipts for the quarter \$118k
- TGA ongoing correspondence to refine protocol for registration of anxiety study with EC Pharma
- Successful pilot of automated machine filling of Medihale sealed vape pods
- Secured exclusive ANZ rights for new design of Medihale branded vapes

Net cash outflow from operating activities during the quarter was \$180k, reflecting the ongoing lean Australian operations with investments focused on product development and business development activities.

Sales of Medihale

During Quarter 1, LSH and their supplier designed a new vape device incorporating a sealed pod design and portable charger case in a new slim design. LSH secured exclusive distribution rights for the new vape in Australia and NZ and is branded as Medihale[®]. Sales of the new Medihale device were \$118k in the quarter. Sales were to EC Pharma as they commence filling in preparation for sales into the TGA Medical Cannabis Special Access Scheme (SAS). EC Pharma is expected to commence supply of the Medihale / EC Pharma medical cannabis inhaler products to the first group of patients via the various SAS Sales agents in Australia in May. The Company has supplied inhalers, consumable capsules and automated filling systems to EC Pharma as they build their inventory and supply readiness to ensure ongoing supply during Quarter 2.

R&D

During the quarter the Company maintained its focus on the development of studies for the Medical Cannabis Therapeutic platforms Pain, Anxiety and Insomnia, conditions where the Company believes there are large patient populations with significant unmet needs.



The clinical trial program development continued in the quarter with ongoing correspondence between the TGA, EC Pharma and a Clinical Research Organisation (CRO) to refine protocol for registration of the anxiety clinical trial program.

Research and Development costs of the Medihale project totalled \$55,000 for development of clinical trial protocols and submission discussions with the TGA. The protocol preparation stage is critical to ensure the right study design that can result in a successful registration. An additional payment of \$11,000 was made during the quarter in relation to additional research and development.

During the quarter the Company also collaborated with EC Pharma and Cannvalate to design and conduct an open label study within the SAS phase to build early-stage data around the performance and acceptance of the Medihale system across several therapeutic areas where speed of onset is beneficial.

Payments to Directors

Cash payments to directors during the quarter totalled \$46K, being fees paid to Non-Executive Directors.

Use of funds

During the quarter funds spent on operating activities were comprised of \$66K in research and development for the Medihale projects, \$20K for the purchase of inventory, \$16K for advertising and marketing which includes investor relations and media costs. \$35k in CEO wages and \$161K in general corporate costs.

The Company will provide further updates in due course.

Authorised by the Board of Directors.

For further information:

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