



ASX Announcement

DECEMBER 2019 QUARTERLY UPDATE AND APPENDIX 4C

28 January 2020 – Minneapolis, United States – Imricor Medical Systems, Inc. (Company or Imricor) (ASX:IMR) today released its Appendix 4C Quarterly Cash Flow Report for the period ended 31 December 2019 and provides an update on financial and operational performance.

During the quarter ending 31 December 2019 (Q4 2019) cash outflows from operating activities were US\$2.2 million. Receipts from customers during the period were US\$0.177 million primarily comprising capital equipment sales. Payments made in relation to operating costs of US\$2.4 million were up on the prior quarter as Imricor increased its workforce across sales and marketing as well as assembly and manufacturing, to facilitate product roll out following CE mark approval of Imricor's Vision-MR Ablation Catheter which was announced on 23 January 2020.

Net cash outflows from investing activities were US\$0.028 million during Q4 2019. Net cash outflows from financing activities were US\$0.608 million in the period, largely comprising of transaction costs paid in relation to Imricor's IPO.

At 31 December 2019 Imricor maintained a cash balance US\$5.049 million. This reflects no consumable product sales revenue during 2019 due to delays in the receipt of CE mark approval initially expected to occur in the third quarter, the cancellation of Imricor's NIH contract and the deferral of IP licence revenue to 2020. Reduced revenue has however been partially offset by lower than forecast accounts receivable, product inventory and operational costs.

Imricor's Chair and CEO, Steve Wedan said "Across the Company we are embarking on an exciting next phase as we head into 2020 with CE mark approval in place, enabling the sale of our products to commence in the European market.

"We are working closely with our initial iCMR lab sites on product supply and training to enable these sites to commence procedures as soon as possible, while maintaining our discipline in relation to a controlled launch of our products to ensure good clinical outcomes. I look forward to providing our investors with an update on this roll-out in the coming weeks."

Investor Conference Call

Investors are invited to join a conference call on Thursday 30 January 2020 at 9:00am Australian Eastern Daylight Time (4:00pm Wednesday, 29 January 2020 US Central Standard Time) with Steve Wedan, Chair and CEO and Lori Milbrandt, CFO.

To register for the call, please follow this link:

https://catoandclive.zoom.us/webinar/register/WN_tj6qF-krR9S1zQZ5LN2OYw

After registering, you will receive a confirmation email containing information about joining the meeting.



Authorised for release by Steve Wedan, Executive Chair, President, and CEO.

ENDS

Further Information

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About Imricor

Imricor Medical Systems, Inc. (ASX:IMR) is a leading developer of innovative MRI-compatible medical devices which can be used to carry out MRI-guided cardiac catheter ablation procedures. Headquartered in the US, Imricor seeks to make a meaningful impact on patients, healthcare professionals, and healthcare facilities around the world by increasing the success rates and bringing down the overall costs of cardiac catheter ablation procedures.

Imricor's Products

Imricor is a pioneer and leader in developing MRI-compatible products for cardiac catheter ablation procedures, and believes it is the first company in the world to bring commercially viable and safe MRI-compatible products to the cardiac catheter ablation market.

The Vision-MR Ablation Catheter is the Company's prime product offering, specifically designed to work under real-time MRI guidance, with the intent of enabling higher success rates along with a faster and safer treatment compared to conventional procedures using x-ray guided catheters. The Vision-MR Ablation Catheter has been approved in the European Union with an indication for treating type 1 atrial flutter. Imricor intends to seek approval for expanded indications in the future. The Company is also in the early stages of pursuing the required regulatory approvals to place its key products on the market in Australia and the U.S.

The Company has also obtained approval within the EU for the sale of the Advantage-MR EP Recorder/Stimulator System and its consumable product, the Vision-MR Dispersive Electrode.

Imricor expects to sell its capital and consumable products to hospitals and clinics for use in Interventional Cardiac Magnetic Resonance Imaging (iCMR) labs, in which ablation procedures using the Vision-MR Ablation Catheter can be performed. An iCMR lab is an interventional lab that is fitted with MRI equipment for use in cardiac diagnostic and interventional procedures. The installation of iCMR labs is driven primarily by MRI equipment vendors working collaboratively with Imricor. Vendors such as Koninklijke Philips N.V. and Siemens Healthcare GmbH help to target certain sites and support the design and construction of iCMR labs for those sites.

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Foreign Ownership Restrictions

Imricor's CHESS Depository Interests (**CDIs**) are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (**Securities Act**) for offers which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. As a result of relying on the Regulation S exemption, the CDIs are 'restricted securities' under Rule 144 of the Securities Act. This means that you are unable to sell the CDIs into the US or to a US person for the foreseeable future except in very limited circumstances after the expiration of a restricted period, unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. To enforce the above transfer restrictions, all CDIs issued bear a 'FOR US' designation on the Australian Securities Exchange (**ASX**). This designation restricts any CDIs from being sold on ASX to US persons. However, you are still able to freely transfer your CDIs on ASX to any person other than a US person. In addition, hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on the Company's management's beliefs, assumptions and expectations and on information currently available to management. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, EU commercial market acceptance and EU sales of our product as well as our expectations with respect to our ability to develop and commercialise new products. Management believes that these forward-looking statements are reasonable when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Imricor does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Imricor may not actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

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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

Imricor Medical Systems, Inc.

ABN

633 106 019

Quarter ended ("current quarter")

December 31, 2019

Consolidated statement of cash flows	Current quarter \$'000 USD	Year to date 12 months \$'000 USD
1. Cash flows from operating activities		
1.1 Receipts from customers	177	496
1.2 Payments for		
(a) research and development	(269)	(904)
(b) product manufacturing and operating costs	(644)	(941)
(c) advertising and marketing	(48)	(151)
(d) leased assets	-	-
(e) staff costs	(949)	(3,253)
(f) administration and corporate costs	(426)	(1,284)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	14
1.5 Interest and other costs of finance paid	(83)	(274)
1.6 Income taxes paid	-	(1)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,242)	(6,568)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(166)	(327)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Quarterly report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$'000 USD	Year to date 12 months \$'000 USD
	(d) intellectual property	(27)	(130)
	(e) other non-current assets	165	(164)
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	(28)	(621)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	8,768
3.2	Proceeds from issue of convertible notes	-	1,746
3.3	Proceeds from exercise of share options	31	207
3.4	Transaction costs related to issues of shares, convertible notes or options	(557)	(1,706)
3.5	Proceeds from borrowings	-	1,700
3.6	Repayment of borrowings	(82)	(214)
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	(608)	10,501
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	7,779	1,588
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,242)	(6,568)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(28)	(621)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(608)	10,501

Quarterly report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$'000 USD	Year to date 12 months \$'000 USD
4.5	Effect of movement in exchange rates on cash held	148	149
4.6	Cash and cash equivalents at end of quarter	5,049	5,049

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 \$'000 USD	Previous quarter \$'000 USD
5.1	Bank balances	5,049	7,779
5.2	Call deposits	-	-
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)	5,049	7,779

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

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

Current quarter
\$'000 USD

50

-

Board and Board committee fees

7. Payments to related entities of the entity and their associates

7.1 Aggregate amount of payments to these parties included in item 1.2

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

Current quarter
\$'000 USD

-

-

Quarterly report for entities subject to Listing Rule 4.7B

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$'000 USD	Amount drawn at quarter end \$'000 USD
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.		

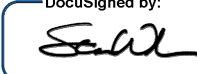
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9. Estimated cash outflows for next quarter	\$'000 USD
9.1 Research and development	(672)
9.2 Product manufacturing and operating costs	(548)
9.3 Advertising and marketing	(355)
9.4 Leased assets	-
9.5 Staff costs	(1,520)
9.6 Administration and corporate costs	(1,065)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(4,160)

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	n/a	n/a
10.3 Consideration for acquisition or disposal	n/a	n/a
10.4 Total net assets	n/a	n/a
10.5 Nature of business	n/a	n/a

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.

DocuSigned by:

 Sign here: Date: January 28, 2020
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 (Director/Company secretary)

Print name: Steve Wedan

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.

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