IMRICOR 1Q FY22 QUARTERLY ACTIVITIES REPORT AND APPENDIX 4C

27 April 2022 – Minneapolis, United States – **Imricor Medical Systems, Inc.** (**Company** or **Imricor**) (**ASX:IMR**), the global leader in realtime iCMR cardiac ablation products, today releases its Appendix 4C Quarterly Cash Flow Report for the period ending 31 March 2022 and provides an update on its operational performance.

HIGHLIGHTS

- Imricor adds first site in Italy – and 15th in Europe – with Policlinico Casilino adopting Imricor's iCMR ablation solutions
- Münster University Hospital (UKM) in Münster, Germany successfully performed its first iCMR ablation procedure
- Lausanne University Hospital (CHUV) in Lausanne, Switzerland commenced construction of an iCMR lab
- Germany's Heart and Diabetes Centre NRW in Bad Oeynhausen announced plans to build a new iCMR lab
- Development Agreement signed with Mammendorfer Institut für Physik und Medizin GmbH (MIPM), headquartered in Mammendorf, Germany to enable Imricor to advance regulatory approval for ventricular tachycardia (VT) iCMR ablation
- Director of Finance Jonathon Gut appointed Chief Financial Officer, replacing the retiring Lori Milbrandt in July
- Consumable product revenues of US$93k in Q1 2022 continued to be impacted by COVID-19 but were up 412% compared to Q1 2021 and 7% compared to Q4 2021
- As at 31 March 2022, Imricor maintained a cash balance of approximately US$13.4 million.

Imricor background and strategy

Imricor is leading the new field of *realtime iCMR cardiac ablations* – that is, cardiac ablations guided by realtime magnetic resonance imaging (MRI), rather than by conventional x-ray fluoroscopy. iCMR (*interventional cardiac magnetic resonance*) is the term used to describe such interventional procedures performed in conjunction with MRI.

Imricor is the only company in the world that provides MRI-compatible consumable devices, such as single-use ablation catheters, required to perform cardiac ablations in an iCMR lab.

Benefits of realtime iCMR cardiac ablations are derived from the superior imaging capabilities of MRI compared to x-ray, especially when it comes to imaging the heart and vascular structures which are largely invisible to x-rays. The goal is to provide faster, safer, and more effective treatments of cardiac arrhythmias compared to conventional means.

Imricor's strategy to grow the field of realtime iCMR cardiac ablations worldwide is built on two actions: to increase the number of iCMR sites across the world and to increase the number of procedures doctors can perform at each iCMR site using Imricor's consumable products.

Key drivers to growing the number of iCMR sites include:

- Existing iCMR sites commencing procedures and presenting/publishing on their experiences
- Growing the Company's footprint across different countries and regions, enabling access for those seeking care and creating competitive pressures between hospitals
- Showing progress toward performing complex ablation procedures, such as ventricular tachycardia (VT) ablations, which increases the utility and demand for iCMR ablations
- Engaging with new physicians to educate them on the benefits of iCMR ablations
- Working with MRI manufacturers to help drive adoption
- Expanding regulatory approval beyond Europe, including the US and ANZ.

Key drivers to increasing the number of iCMR ablation procedures doctors can perform include:

- Development of additional consumable products required for new procedures such as VT ablations
- Partnering with 3rd parties to deliver auxiliary equipment needed for new procedures
- Demonstrating clinical effectiveness through clinical trials
- Receiving regulatory approval to market devices for the new indications

During the quarter, the Company made progress on all these drivers.

Imricor's Chair and CEO, Steve Wedan, commented: "We targeted the first quarter of 2022 to mark a re-launch of our realtime iCMR cardiac ablation solution as the effects of the pandemic waned, and we are very pleased with the progress and traction we are seeing across all fronts. New sites are moving toward iCMR ablations, cases care commencing where previously prohibited due to COVID, and there is a refreshed enthusiasm in the medical field as witnessed by the active participation in our recent iCMR Ablations Global Summit in Amsterdam."

Imricor adds first site in Italy

On 31 March 2022, Imricor announced Policlinico Casilino in Rome, Italy as the latest institution to adopt Imricor's iCMR ablation solutions, making it the 15th Imricor site in Europe and the first in Italy.

The agreement signed between Imricor and Policlinico Casilino sets pricing for Imricor's products and has an initial term of one year. Planning is underway for installation, training, and first procedures to commence in May 2022.

The Agreement is significant as it is a key strategic goal of Imricor to grow the number of sites performing realtime iCMR cardiac ablation procedures in Europe. In addition, establishing a first site in Italy raises awareness within the country for iCMR ablations, and is expected to drive interest from other sites. There are over 180 ablation centres in Italy.

Professor Leonardo Calo from Policlinico Casilino is the co-president of the PLACE Congress, being held 30 Sep – 1 Oct 2022 in Rome (www.placeacademy.it). Over 2,500 cardiologists are expected at the congress. Imricor will have a meaningful presence, supported by Professor Calo, which is expected to further grow awareness and interest from new sites.

Additional sites underway in Europe

Lausanne University Hospital (CHUV) in Lausanne, Switzerland commenced construction of an iCMR lab, consulting with Imricor on the design specifics. Imricor and CHUV have had a research collaboration agreement in place since 2019. The site is a worldwide leader, ranked #11 on Newsweek's World's Best Hospitals 2022, and is expected to be a research and training centre of excellence where other physicians can learn iCMR ablation techniques.

In addition, Professor Philipp Sommer, the Director of Electrophysiology and Rhythmology at the Heart and Diabetes Centre NRW in Bad Oeynhausen, Germany, recently announced plans to begin construction of a new iCMR lab that is expected to be operational in the fourth quarter 2022. Professor Sommer is a high-profile key opinion leader in the electrophysiology field and a medical advisor for Imricor.

These projects underscore a committed move into iCMR ablations across two important and influential sites. The investments these sites are making in new iCMR lab facilities lead the way for other sites to follow.

Development Agreement with Mammendorfer Institut für Physik und Medizin GmbH (MIPM)

The Company signed a Development Agreement with Mammendorfer Institut für Physik und Medizin GmbH (MIPM), headquartered in Mammendorf, Germany during March 2022, providing Imricor with third-party equipment needed as it progresses toward a clinical trial in Europe. The trial is designed to demonstrate the safety and effectiveness of realtime iCMR guided cardiac ablations for ventricular tachycardia (VT), which is the next arrhythmia the Company is targeting for iCMR ablation.

MIPM is an established manufacturer of MRI compatible monitoring equipment and has recently developed an MRI-compatible defibrillator in consultation with Imricor. The defibrillator was tested in March at Imricor's iCMR Design Center as part of preclinical work being performed by the Company. MIPM personnel also participated in the preclinical study. An MRI-compatible defibrillator is the last piece of third-party equipment needed for realtime iCMR ablations of VT.

Under the terms of the Development Agreement, the two companies will further collaborate on product development and clinical trials, including Imricor's upcoming VT trial, for which MIPM will provide their defibrillator. The Development Agreement has a term expiring 31 December 2027 and can be cancelled with 180 days' notice by either party. A commercial agreement between Imricor and MIPM is expected to follow later this year.

Münster University Hospital performs first procedure

Münster University Hospital (UKM) in Münster, Germany successfully performed its first iCMR ablation procedure on 18 February 2022, making UKM the fifth Imricor site actively performing procedures.

The start of procedures at UKM Münster supports a key strategic goal of Imricor to grow the number of realtime iCMR cardiac ablation procedures in Europe.

Imricor appoints new Chief Financial Officer

Imricor announced the appointment of Mr Jonathon Gut as its incoming Chief Financial Officer to replace Ms Lori Milbrandt upon her scheduled retirement.

Ms Milbrandt will remain in the role until 30 June 2022, and Mr Gut will assume the role on 1 July 2022. Ms Milbrandt has served as the Company's Chief Financial Officer since 2007.

Mr Gut joined the Company in August 2020 as the Controller, and in May 2021 was appointed as Imricor's Director of Finance, in addition to retaining his role as Controller for the Company. Mr Gut has more than 13 years of accounting and finance experience, the last 10 of them in the medical device industry, having previously worked for both private and publicly owned companies, including Galil Medical and Boston Scientific.

Consumable Product Revenue

While the impact of the COVID-19 pandemic was still present in Q1 2022, revenue from the sale of consumable products in the quarter totalled US$93k, up 412% compared to Q1 2021 and 7% compared to Q4 2021. Consumable product revenue provides a reflection of the number of procedures being performed across all Imricor sites and is a good indicator of market traction and growth.

Annual General Meeting

Imricor's Annual General Meeting will be held virtually on 4 May 2022 at 9.00am (AEST)/3 May 2022 at 6.00pm (US Central Daylight Time). Shareholders have been mailed instructions on how to access the proxy statement and accompanying Notice of Meeting and are strongly encouraged to vote prior to the meeting; however, there are mechanisms to vote during the virtual meeting.

An electronic version of Imricor's 2021 Annual Report is available on the ASX website.

Appendix 4C Cashflow for 1Q FY22

During the quarter ended 31 March 2022 (Q1 2022), Imricor reported net cash outflows from operating activities of US$4.921 million. Receipts from customers during the period were US$0.103 million comprising the sale and rental of capital equipment (US$0.011 million), consumable product sales (US$0.060 million) and proceeds from the contract with the NIH (US$0.032 million).

Payments made in relation to operating costs of US$5.024 million were up compared to the prior quarter of US$4.303 million primarily due to the payment of 2021 corporate bonuses in the period.

Net cash outflows from investing activities were US$0.076 million during Q1 2022. Net cash outflows from financing activities were US$0.145 million in the period.

At 31 March 2022, Imricor maintained a cash balance of US$13.369 million. Payments made to related parties as described in Item 6.1 on the Appendix 4C were for directors' fees.

ENDS

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

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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 realtime iCMR cardiac 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 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 sells 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.

Foreign Ownership Restrictions

Imricor's CHESS Depositary 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.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Imricor Medical Systems, Inc.

ABN	**Quarter ended ("current quarter")**
633 106 019	31 March 2022

Consolidated statement of cash flows		**Current quarter $USD'000**	**Year to date (3 months) $USD'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	103	103
1.2	Payments for		
	(a) research and development	(931)	(931)
	(b) product manufacturing and operating costs	(301)	(301)
	(c) advertising and marketing	(148)	(148)
	(d) leased assets	-	-
	(e) staff costs	(2,883)	(2,883)
	(f) administration and corporate costs	(731)	(731)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(30)	(30)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(4,921)**	**(4,921)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(32)	(32)
	(d) investments	-	-
	(e) intellectual property	(44)	(44)
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $USD'000	Year to date (3 months) $USD'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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**	**(76)**	**(76)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	31	31
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(32)	(32)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(144)	(144)
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**	**(145)**	**(145)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	18,516	18,516
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,921)	(4,921)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(76)	(76)

Consolidated statement of cash flows		Current quarter $USD'000	Year to date (3 months) $USD'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(145)	(145)
4.5	Effect of movement in exchange rates on cash held	(5)	(5)
4.6	**Cash and cash equivalents at end of period**	**13,369**	**13,369**

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 $USD'000	Previous quarter $USD'000
5.1	Bank balances	13,369	18,516
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)**	**13,369**	**18,516**

6.	Payments to related parties of the entity and their associates	Current quarter $USD'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	59
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Payments listed in 6.1 represent board fees

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $USD'000**	**Amount drawn at quarter end $USD'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

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

8.	**Estimated cash available for future operating activities**	**$USD'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(4,921)
8.2	Cash and cash equivalents at quarter end (item 4.6)	13,369
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	13,369
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	2.7

Note: if the entity has reported positive net operating cash flows in item 1.9 answer item 8.5 as 'N/A". Otherwise, a figure for the estimated quarters of funding must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 about must be answered.

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.

Date: 28 April 2022

Authorised by: the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow 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 cash flow 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.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.