LungLifeAI™

Annual Results to 31 December 2023

April | 2024

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Disclaimer for annual results presentation

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LungLife AI™ is a diagnostics company focused on the early detection of lung cancer from **a simple blood draw** enhanced by Artificial Intelligence.

Our purpose is simple.
To be a driving force in the early detection of lung cancer.

Audited Financial Results for year ended 31 December 2023

- Cash at end of year **$2.83m** (2022 - $8.01m)
  - Cash outflow from operations **$5.0m** (2022 - $5.8m)
  - Implying monthly burn of c. **$420k** (2022 – c. $490k)

- Adjusted EBITDA (excluding share-based payments) **$5.19m** (2022 - $6.84m)
  - Slight increase in wage cost from $2.69m to **$2.74m** due to full year impact of starters in 2022.
  - Offset by reduction in research and development cost from $1.98m to **$1.30m** as we finished enrolment of the trial and no further development of the AI algorithm.
  - And reduction in other cost categories.

- Balance sheet
  - Mount Sinai license continue to be carried at cost - $5.8m – without amortization as yet to access the underlying data asset

March Funding – Key Points

- Net proceeds from issue of 5,172,621 shares – net **$1.8m**
  - Cash runway to **April 2025**
  - With opening cash of $2.83m, gives an implied monthly burn of c. **$290k**

- Cost reductions
  - Headcount reduced and salary reductions – reduces monthly cost in **half**

Urgent Unmet Need for Early Detection

High Prevalence

Someone is diagnosed with lung cancer every 2.5 mins in the US

Accounts for >20% of all cancer deaths in US (est. 130k deaths in 2023[1])

Poor Early Detection

Surgery can cure – but only 20% of US cases diagnosed early enough for this

>1.5m lung nodules identified p.a. in US

Lack of Screening

c. 14.2m Americans eligible for free screening (2020: 6.8m)[2]

Only 5.8% of those eligible are screened each year

Nodules found incidentally by CT scan still account for majority of early diagnosis

[1]SEER Program, National Cancer Institute (https://seer.cancer.gov/statfacts/html/all.html)
[2]American Lung Association (https://www.lung.org/media/press-releases/state-of-lung-cancer-2022)

Primary Clinical Pathway

CT scan

c. 5.1m p.a.

Avg. CT scan $184

Clinical Conundrum

c. 1.57m
Indeterminate nodules
p.a.

~70-80%

Further imaging

“Wait-and-see”

Time to diagnosis Avg 35 days*†

~30-20%

Biopsy

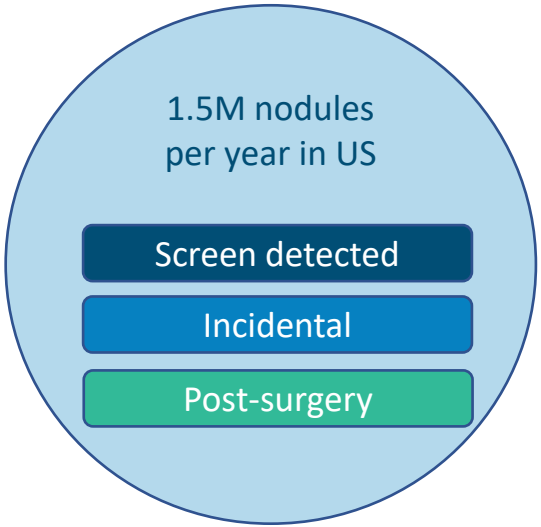
~40% receive an unnecessary biopsy
1 in 5 adverse event rate†

Avg. biopsy $14,587
Adverse event increases costs to avg. $37,745†

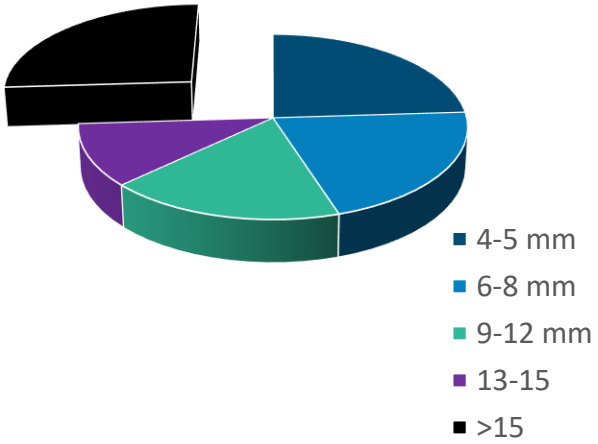
†Lokhandwala *et al* (2017), Handy *et al* (2020) ‡Jemal and Fedewa 2017 # Gould *et al* (2015)

*Average time to diagnosis incorporates both “wait-and-see” and biopsy pathways

The market for early detection of lung cancer in the US estimated to exceed $2 billion



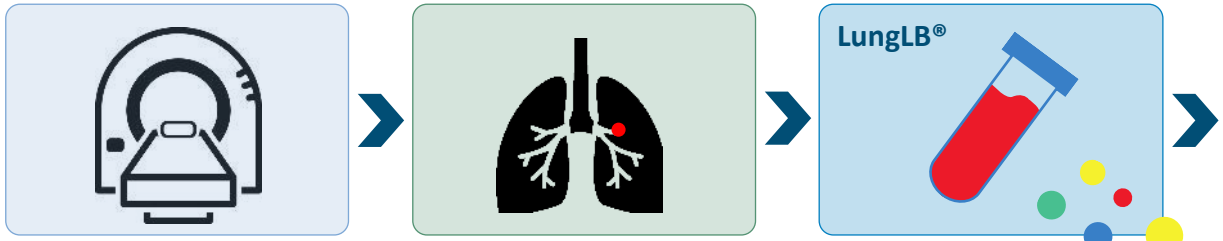
Entry point: nodules <15 mm make up ~70% TAM

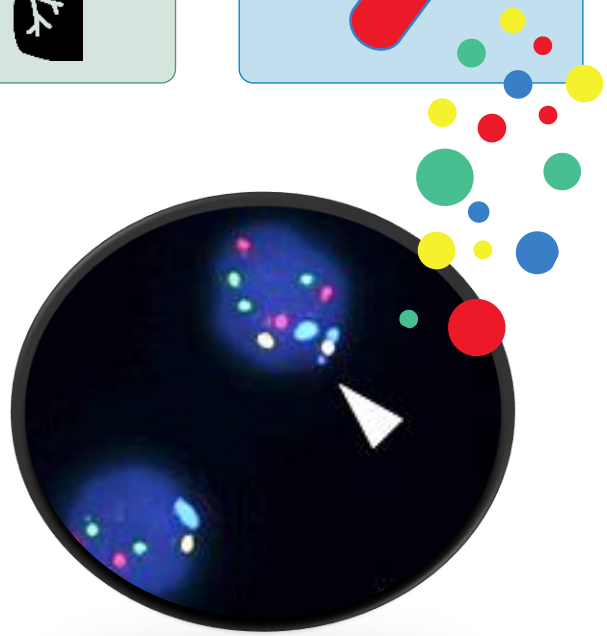


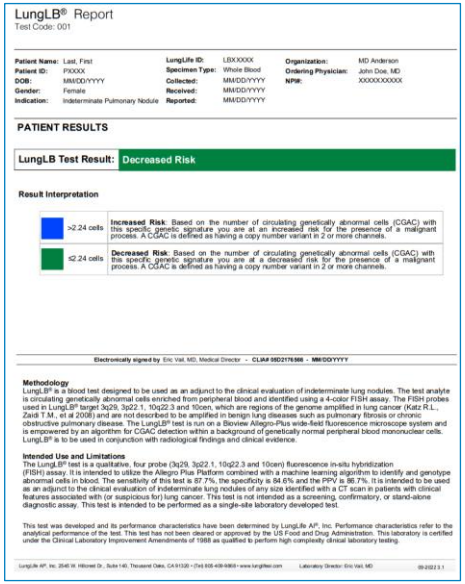
Source: Gould *et al* (2015), 13-15 mm range estimated by LLAI
LungLB® National Medicare price of $2,030/test
1.5M nodules * 70% * $2,030/test = ~$2B

Why We Believe our LungLB® test is the Answer

LungLB® uses circulating genetically abnormal cells (CGAC) and only requires a simple blood draw







- LungLB® positioned to be an aid in the evaluation of lung nodules
- Begins with a blood draw, finishes with easy to interpret report
- Analyte is CGAC, rare cells in blood that correlate with lung cancer[1]
- CGAC identified using FISH, which is a familiar and comprehensible technology

Definitive Diagnosis

Non-invasive Imaging

[1]Circulating Genetically Abnormal Cell, includes circulating tumour cells
Tahvilian *et al* (2023)

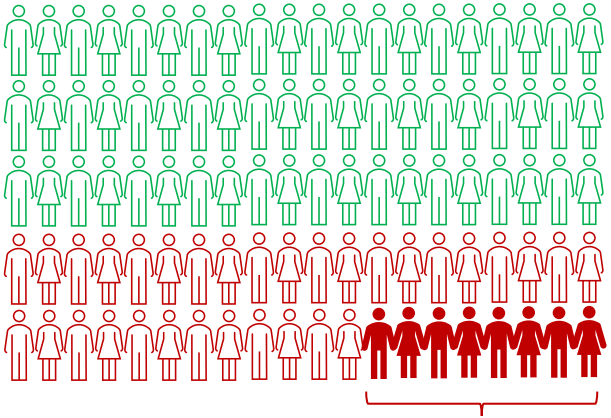
- LungLB® performed significantly in participants with small (<15 mm) nodules, a known pain-point for physicians
- Rigorous study: 87% in "intermediate" risk group. Previous studies lack sufficient numbers of intermediate-risk nodules
- **Left over blood cells and plasma preserved for future LungLB® development**

PERFORMANCE

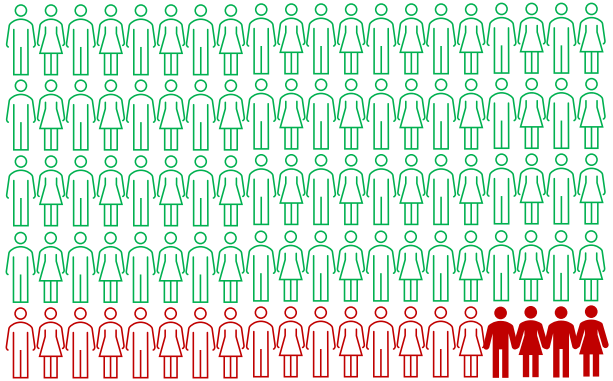
- **81% Positive Predictive Value (PPV)**
- 72% AUC Vs. 62% Mayo Model
- 81% PPV Vs. 67% PET Scan

When a physician sends someone with a lung nodule to biopsy because they suspect cancer…

Current Clinical Practice[1]



Hypothetical scenario with LungLB®



[1]Lokhandwala *et al* (2017), 60% PPV from 40% biopsies in people w/o lung cancer

Commercialisation

We have regulatory support to begin commercialisation

Clinical Laboratory Improvement Amendments

CAP ACCREDITED
COLLEGE of AMERICAN PATHOLOGISTS

NEW YORK STATE Department of Health

FDA U.S. FOOD & DRUG ADMINISTRATION

- LungLB® qualified as a Laboratory Developed Test, LDT
- **2021**
- **2022**
- Voluntary but important

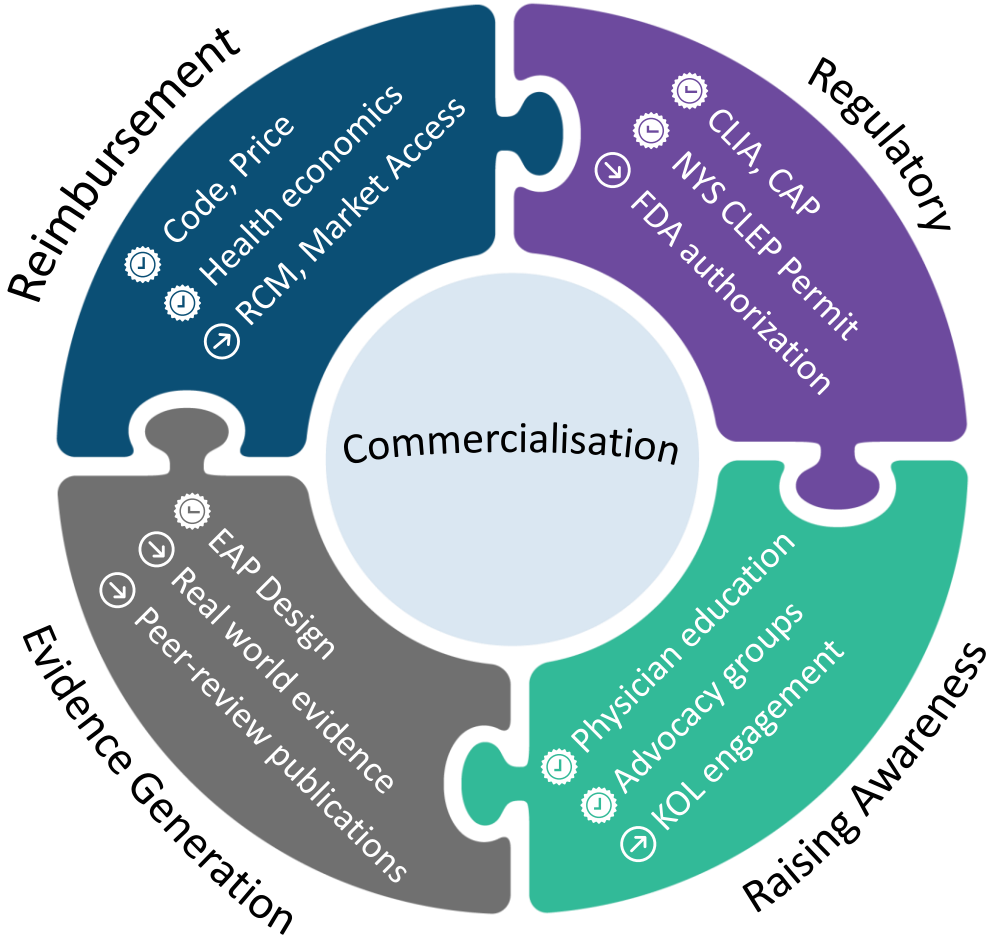
Reimbursement foundation in place

AMA AMERICAN MEDICAL ASSOCIATION

CMS CENTERS FOR MEDICARE & MEDICAID SERVICES

noridian Healthcare Solutions MolDX®

- **Jan 2022** – PLA code granted
- **Nov 2022 –** LungLB® assigned national Medicare price at $2,030 per test
- **Coverage** – Assessment under MolDx – supported by health economics, validation and clinical utility studies



Commercial Proof of Concept

- ✓ **Methodical** approach
- ✓ Prove and build **adoption** curve
- ✓ Adoption is about data and **trust**
- ✓ Test business/sales model in limited scope, low-cost setting
- ✓ Collect utility data and build **KOLs**
- ✓ Secure payor **reimbursement** through appeals process

Early Access Program – up to 20 patients per site from 5-10 sites, up to 100 patients. Physicians will be surveyed.

- Comprised of familiar sites that participated in validation study
- Refine “technical” aspects of test ahead of launch (ordering process, client services, results reporting)
- Understand clinical utility: effect on nodule evaluation and patient care

EAP on utility – understand adoption curve and provides additional evidence considered by payors for reimbursement

Foundational LCD Pathway

Headline:

MolDX: Molecular Biomarkers for Risk Stratification of Indeterminate Pulmonary Nodules Following Bronchoscopy

DL39678

Expand All | Collapse All

PROPOSED LCD

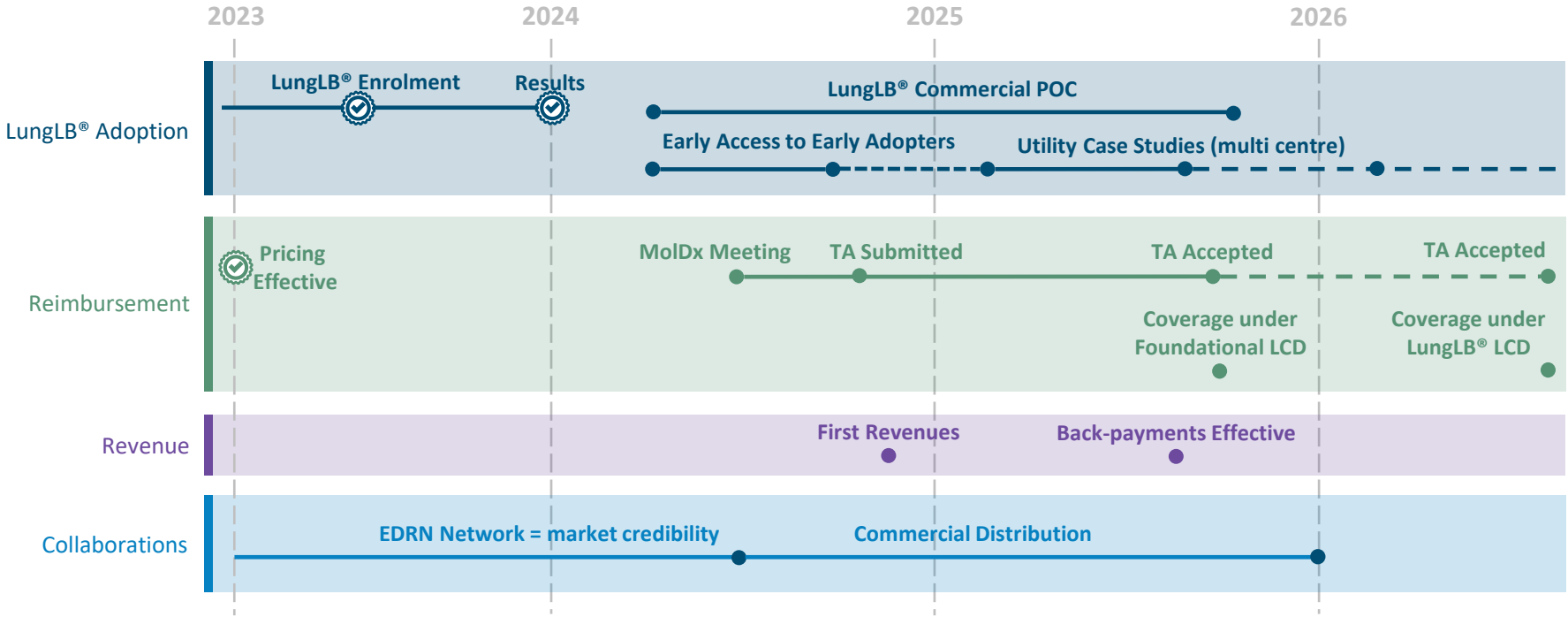
Proposed LCDs are works in progress that are available on the Medicare Coverage Database site for public review. Proposed LCDs are not necessarily a reflection of the current policies or practices of the contractor.

- Foundational LCD proposed by MolDx to cover tests for lung nodules
- We believe LungLB® would be eligible for coverage under this LCD, if finalized.
- MolDx has well defined technical assessment process
- Coverage under foundational LCD 8-12 months.

PALMETTO GBA
A CELERIAN GROUP COMPANY

MolDX

Notional timeline



Commercial launch: internal resource

1 Sales H/C per 10 centers

Increase number of tests per month:

- Clinical Trust
- Reimbursement
- Initial patient case studies for utility presented
- Case studies (multi center)

Sales and Distribution

Strategic collaborator options

Unique use fits with other portfolios

De-risked proposition for revenue growth “hungry” companies

Mature Sales

Leverage wider distribution

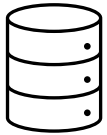
Leverage publications and usage

Additional uses of the product

LungLife has a growing biorepository and access to thousands of de-identified patient records

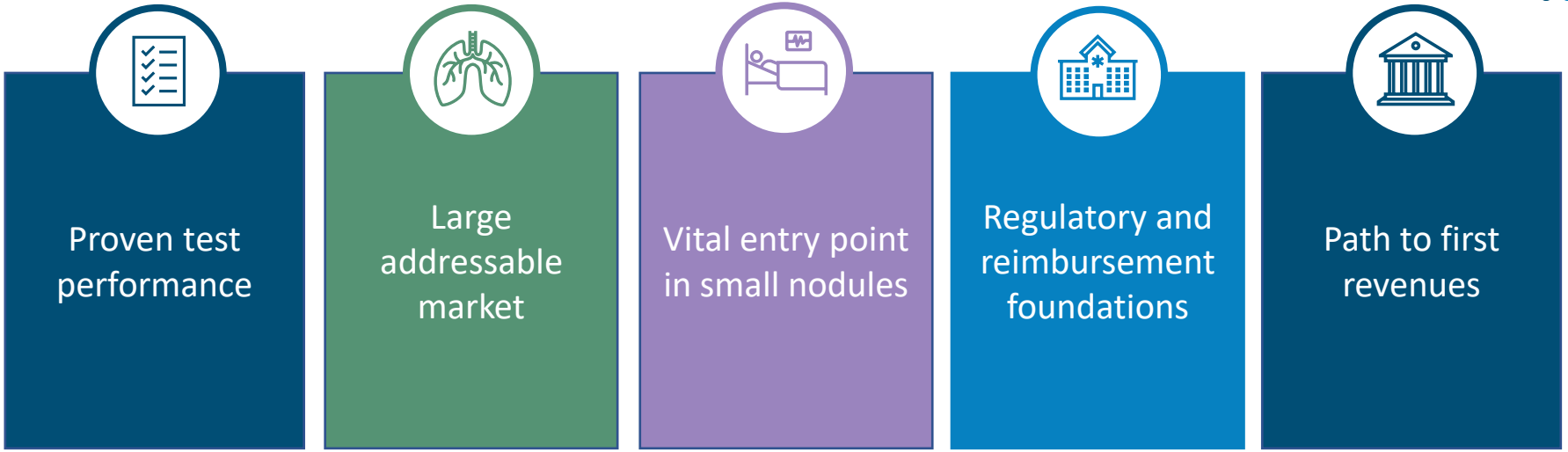
- LungLB uses peripheral blood cells isolated from ~2 mL whole blood and does not use plasma.
- Remaining blood cells and unused plasma are cryopreserved for future studies.

- >600 patient specimens stored representing early-stage lung cancer and benign indeterminate nodules.
- Patient demographic and clinical information collected with >400 matched CT scan images.
- Ongoing collection through EDRN partnership provides estimated +500 samples from lung nodule patients.



- Fully-paid data access license to de-identified patient records from Mount Sinai Hospital.
- Includes CT and PET scan images related to lung cancer and those at-risk for lung cancer.

In conclusion…..

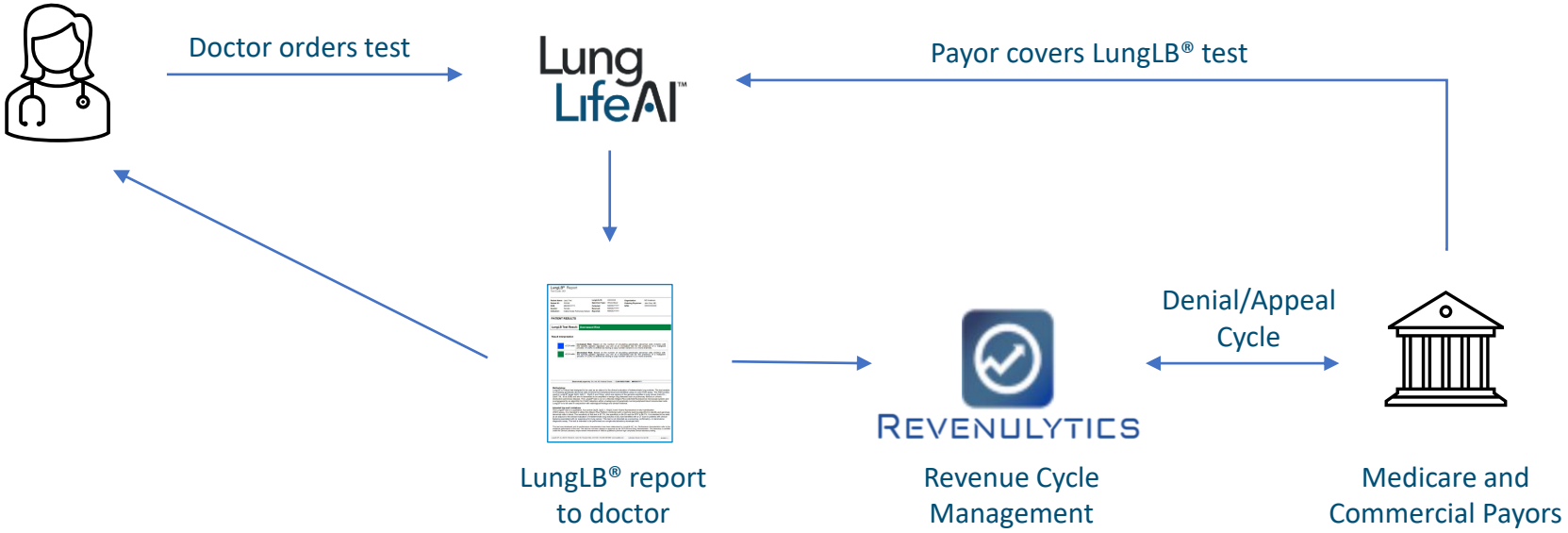


LungLife AI™ aims to be a driving force in the early detection of lung cancer.

Our Vision is to invert the 20:80 ratio such that at least 80% of lung cancers are diagnosed early.

Appendices

Defined payment pathway for tests performed is important for revenue generation



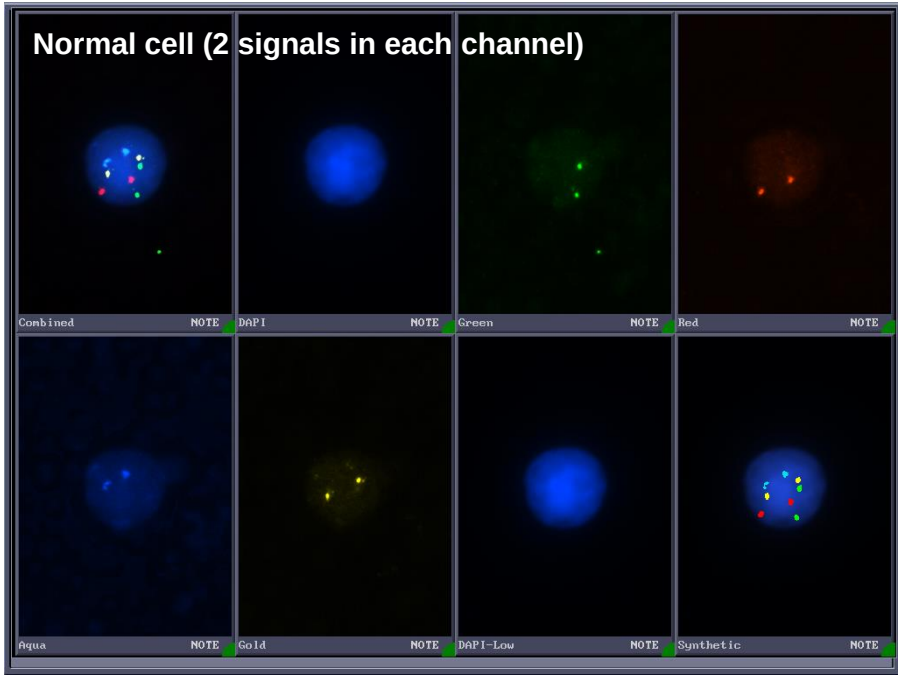
- Medicare is the largest US public health insurance payor.
- Medicare is administered by multiple MACs (Medicare Administrative Contractors) whose jurisdiction is based on geographical region.
- LungLife is under a jurisdiction that uses the MolDx program, which has a well-defined process for applying for coverage called Technical Assessment.
- A clinical dossier that contains analytic validity, clinical validity, and clinical utility is compiled and submitted to MolDx.
- Your test is deemed “Not Covered” until the technical assessment is complete.
- Coverage is given if Medicare approves your clinical dossier (called a Local Coverage Determination).
- A foundational LCD has been proposed by MolDx for indetermiante lung nodules. An alternative path, should the proposal be finalized, is LungLB gains coverage under the Foundational LCD rather than a LungLB-specific LCD.

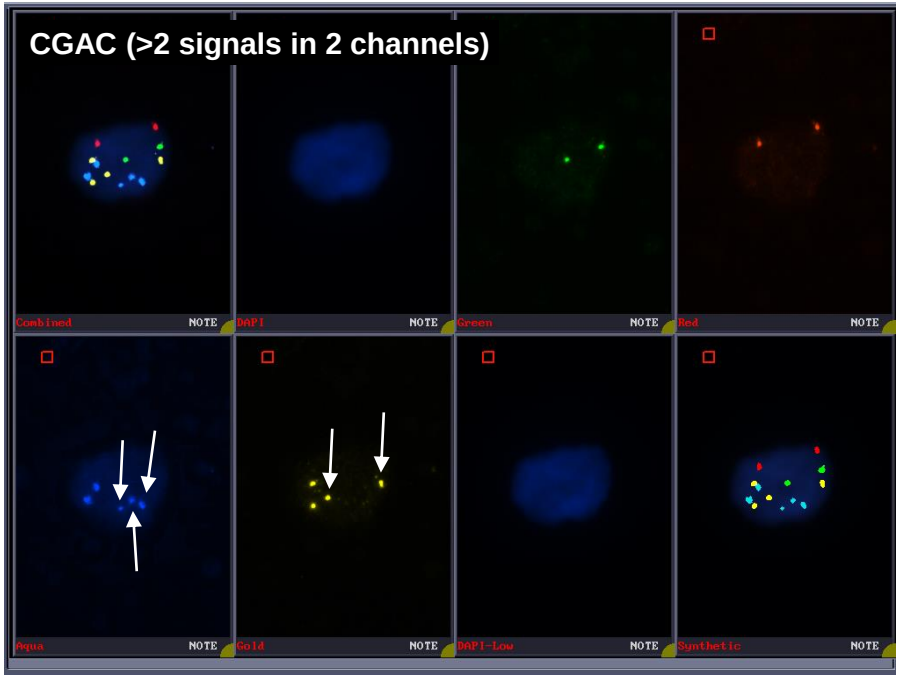
The successful commercialization of our LungLB test will be achieved by a **methodical**, **deliberate** approach.

To date we have built some of the foundations. This next phase is to drive adoption of the test which starts with clinicians finding the test useful

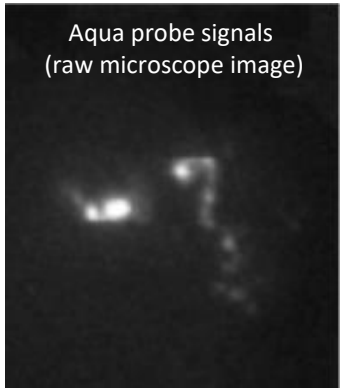
- We have 2 sources of revenue by payor:
  - Commercial payors
    - Expectation of ramp up in volume as utilization will generate greater utilization
    - Coverage will be very low in early period
    - Reimbursement is a function of utilization, as utilization increases, reimbursement should follow
  - Medicare
    - Limited reimbursement until Local Coverage Determination in place
    - Once in place, reimbursement backdated to acceptance of complete Technical Assessment
    - Based on our validation study, 68% of participants are of Medicare age.

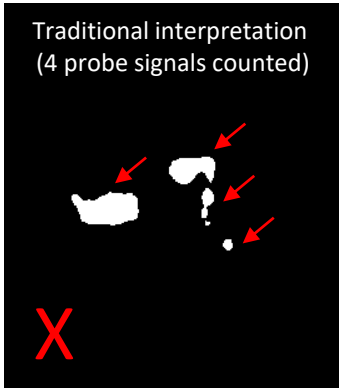
CGAC indicative of lung cancer have more signals than healthy cells

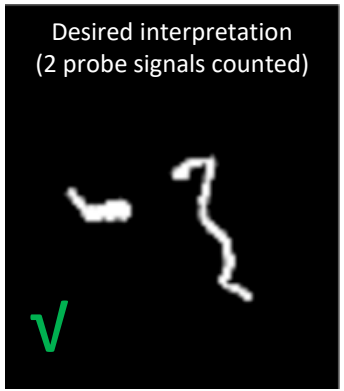




Not all FISH images are easily interpreted







Our AI algorithm co-developed with Persistent Systems provides:

- Enhanced sensitivity: A 4-point improvement in the cancer detection rate
- Enhanced specificity: >60% reduction in miscategorised CGAC vs standard FISH microscope software
- Improved objectivity and reproducibility: Algorithm defines “true” probe signal parameters

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