

ASX Release

TALI HEALTH NATIONAL DISABILITY INSURANCE SCHEME (NDIS) APPROVAL

Novita Healthcare Limited (ASX: NHL) (“**Novita**” or the “**Company**”), is pleased to announce that its wholly-owned subsidiary TALI Health has been approved as a registered provider by the National Disability Insurance Agency effective immediately.

Highlights

- **Approved registered provider in the National Disability Insurance Scheme (NDIS)**
- **TALI Train now accessible via the NDIS in all states and territories (except Western Australia with application for approval pending)**
- **29 percent of people in the NDIS have autism as primary disability and the proportion is the same for those with an intellectual disability**
- **Half of all participants in the scheme are children with uptake expected from next quarter**

Novita Healthcare is pleased to report that the National Disability Insurance Agency has approved TALI Health as a registered provider of supports under the registration group “Comms & Info Equipment”.

This means that the Company’s clinically-proven game-based training program TALI Train may now be utilised by participants in the NDIS in all states and territories, except Western Australia which is transitioning to the NDIS and the application by TALI Health for this state is pending.

According to current data, of 140,000 NDIS participants, almost 38,000 (29 per cent) have autism as a primary disability. The proportion is the same for those with an intellectual disability. More than half of all participants are infants, children or teenagers. Almost 40 per cent are under the age of 14*¹.

TALI Train is a game-based training programs and tool used to improve the assessment, treatment and monitoring of childhood difficulties, such as inattention. The program is the first to be designed specifically for the unique needs of children with developmental disabilities such as autism spectrum disorder, ADHD, Down syndrome and non-specific intellectual disability. As such, children in the NDIS are expected to obtain enormous benefit from access to TALI Train.

Suitable Participants in the NDIS or a person on their behalf (for example a parent, guardian or healthcare professional) can directly contact TALI Health to discuss and access TALI

¹ The Australian, 27th April 2018

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Train. If suitable, participants in the NDIS will have the total cost of TALI Train covered by their care package under the scheme.

TALI Health is currently receiving approximately \$400 per user as trained healthcare professionals deliver the solution. Additional models are being explored to potentially deploy the TALI technology to the education sector along with direct to consumer.

As a result of the approval to TALI Health, all future products released by the Company that fall under the same registration group “Comms & Info Equipment” - as TALI Train does - will automatically become available to participants in the NDIS.

Healthcare professionals along with parents/guardians/carers of children should note that the provider registration number for the company (TALI Health) is as follows:

Provider Registration Number: 4050030967

National Disability Insurance Scheme (NDIS)

The National Disability Insurance Scheme (NDIS) provides support to people with disability, their families and carers. It is jointly governed and funded by the Federal government, and participating states and territory governments.

The main component of the NDIS is individualised packages of support to eligible people with disability. The NDIS is not means tested. Like many other Australian Government social policy programs—such as Medicare, the Pharmaceutical Benefits Scheme and income support payments—the NDIS is an uncapped (demand-driven) scheme.

TALI Train overview and Inattention (Attention Disorders) globally

Inattention is the most commonly reported childhood difficulty with global estimates suggesting that **136 million children experience clinical attention difficulties, with this number set to grow**. Inattention negatively impacts social relationships, educational outcomes, and increases vulnerability for mental health issues.

The most common current treatment is psychostimulant medication, but the proliferation of portable tablets and smartphones provides an unprecedented opportunity to provide drug-free interventions that are intrinsically motivating for young children.

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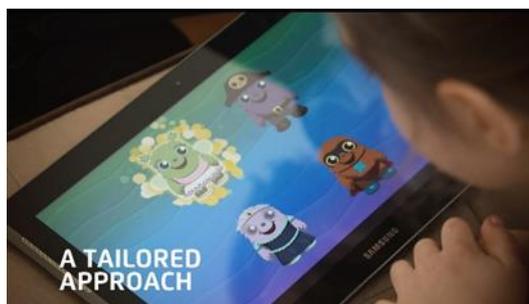


Image 1: TALI Train accessed via iPad or tablet. The TALI characters shown in image

TALI Train has been designed for young children who are aged 3 to 8 years old and are experiencing attention difficulties. TALI Train focuses on improving attention to help improve academic, behavioural and cognitive development.

The program is the first to be designed specifically for the unique needs of children with developmental disabilities such as autism spectrum disorder, ADHD, Down syndrome and non-specific intellectual disability. As attention difficulties present at home and school, the program is supported by parents, psychologists, occupational therapists, neurologists, speech pathologists and educators.

The ability to concentrate and stay focused on a task, to switch attention between tasks, to inhibit impulsive responding, and to mentally hold and use information are critical skills for learning and academic outcomes. Fundamental to the development of these skills is attention. Attention difficulties can lead to increased levels of distractibility, impulsivity, forgetfulness and poor focus.

In the case of children who are especially vulnerable to learning impairments because of an underlying developmental disability (e.g. autism, ADHD), attention difficulties will likely exacerbate an already compromised cognitive system by significantly impacting on a child's ability to interact with the world and community around them. This in turn reduces their capacity to engage in educational programs and increases their already heightened risk of long-term behavioural and emotional problems.

For children experiencing attention difficulties, the most common treatment is medication, however drugs can only treat the symptoms, not the underlying causes of attention difficulties. In addition, medication is often only prescribed once children reach the age of seven, consequently a significant number of children miss out on vital early interventions.

Both the high prevalence of children with developmental disabilities (DD; around 1 in 6 children in the US have a DD) and the lack of suitable non-pharmacological interventions to treat attention disorders, led the Company to develop TALI Train, the first game-based attention training program for children between the ages of 3 – 8 years.

Designed by neuroscientists at Monash University, and developed by Grey Innovation, Torus Games and now commercialised by TALI Health, TALI Train is the first training program to directly target attention skills at the brain level and designed with the unique needs of children with developmental disabilities in mind.

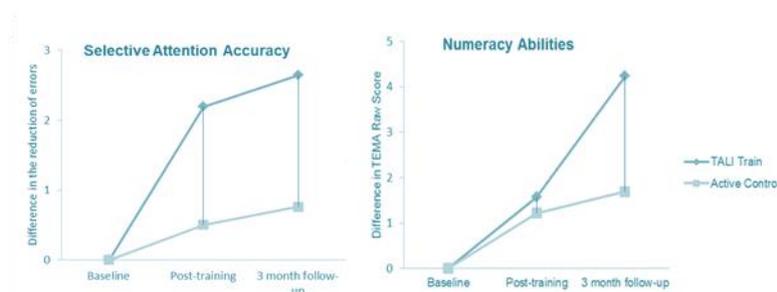


Image 2: TALI Train selective attention accuracy positive results and numeracy abilities positive results

Proven to be effective in clinical trials, TALI Train has far-reaching impacts, given its widespread accessibility, its suitability for early intervention – helping children to become school-ready, and its potential to optimise learning and engagement in the classroom. The documented long-term improvements in attention skills benefit individuals and their families directly by reducing the need to access ongoing intervention services and have positive flow-

on effects to the local and international economies, by reducing the US\$36–52 billion annual global impact of attention disorders.

At the education level, TALI Train provides teachers with much needed evidence-based resources that can facilitate optimal learning and engagement. In essence, TALI Train advances an inclusive policy that promotes the successful education and participation of all children in school and social settings.

TALI Train enables the introduction of individually tailored interventions early in the school trajectory when interventions are likely to be at their most effective, sustaining and have long term impact. This intervention is critically important as currently many children with disabilities enter the education system at a considerable disadvantage, and struggle to remain in an inclusive setting. TALI Train is the first step in a new approach to supporting children’s access and participation in education.

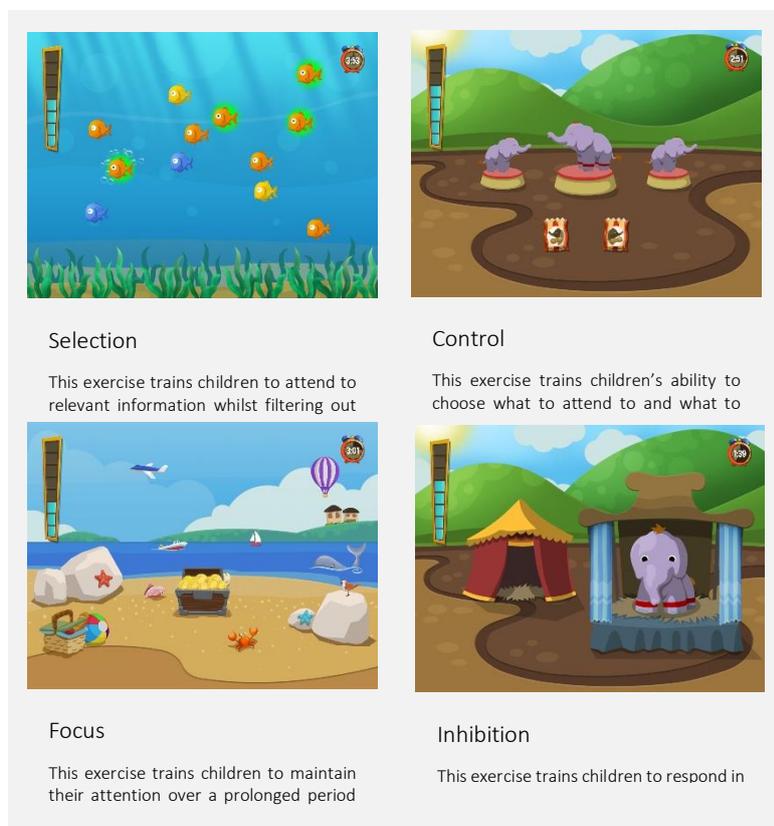


Image 3: Images from the TALI Train program

Clinical validity of TALI Train

Gold standard clinical trials demonstrate TALI Train is effective in promoting benefits in attention and academic skills in young children with developmental disabilities such as autism. Importantly these gains in attention skills were maintained three months after children had stopped using TALI Train. Unlike existing interventions that often mask the symptoms of attention difficulties, these findings indicate that TALI Train is able to strengthen attention networks at the brain level – resulting in stable long-term changes.

TALI Train is one of the few cognitive training programs that has been designed by scientists and validated through rigorous clinical trials. These clinical trials have been published in highly regarded peer-reviewed international journal.

TALI is further distinguished by the program's built-in analytics. These analytics allow clinicians, parents, and educators to assess a child's performance on each of the exercises, enabling them to identify areas of attentional strengths and weaknesses and tailor the program to that child's needs. This feature also provides invaluable data for research and further development of the program.

Feedback from users

Feedback from users of the program have been positive, with parents and teachers reporting improvements in children's abilities to remain focused on a task at home and in the classroom. Additional benefits in academic outcomes and social relationships have also been reported, as well as improvements in self-esteem and confidence.

"TALI Train fulfils a huge gap within the treatment of children with attention deficits. For clinicians this is what we have been asking for."

Martha Mack, Child Psychologist.

"TALI Train was really easy to use, bright and engaging. We have already seen improvements in her ability to focus and remain alert. Completing the program has also given our daughter a sense of achievement and has resulted in her feeling happier in herself."

Father of a 4-yr. old with autism.

"My student that has been undertaking TALI Train is not the same boy who started the program, it's been really fabulous to see the results we've been able to get."

Michelle McClellan, Prep Teacher.

In April 2018, TALI Train was commercially released to the Australian market.

ABOUT NOVITA

Novita Healthcare is an emerging health sector technology company encompassing the current businesses of TALI Train and Newly. TALI Train uses proprietary software algorithms to monitor and assist in the treatment of cognitive problems such as attention difficulties in early childhood. Newly is developing an agile technology solution for care or support professionals looking for employment and for aged care or disability support providers needing staff.

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