

Attention, matters.

TALi Digital Newsletter

Edition 5 | April 2022

Dear Shareholders,

Welcome to the latest edition of the TALi Digital (ASX: TD1 or “the Company”) investor newsletter.

As you are aware I have assumed added responsibilities with support from the other members of the Board and Executive team after the recent resignation of the

Company’s CEO. The Board is undertaking a full operational review of the business with a renewed focus on the key deliverables which create



shareholder value. We are determined to make a difference and remain excited about the Company's future.

As you are also aware, the Board recently initiated a capital raise which will strengthen the Company's cash position and provide funding for ongoing operations. The March Placement raised \$1.54 million before costs. A further \$1.68M is to be raised via an Entitlement Offer this month.

You'll find more details on these announcements at:

talidigital.com/investors-centre. We appreciate the continued support of existing shareholders and are pleased to welcome new investors to the register.

The Company has made a number of senior management appointments in the last few months which bring considerable relevant experience in the technology and digital health sectors to the organisation at an opportune time and we will take the time to introduce them to you over the coming months. This will be a pivotal year for TALi and this experienced team will be responsible for successfully executing on the Company's commercialisation plans in Australia and India, progressing our clinical program with Akili, and more.

As many shareholders have confirmed the Akili agreement is transformational and highly strategic for TALi and is estimated to represent AU\$51 million (US\$37.5 million) in total future contingent milestone payments plus royalties on potential revenues.

Our partner in the U.S., Akili, has recently [announced](#) plans to merge with Social Capital, a Special Purchase Acquisition Corporation (SPAC) and list on the NASDAQ in mid-2022. The transaction values Akili at approximately USD\$1 billion and is expected to provide up to USD\$412 million in gross cash proceeds.

The Clinical Development Phase of our Agreement with Akili is underway. Work on an initial Pilot Study, part of the pathway toward the U.S. Food and Drug Administration (F.D.A.) certification to market a regulated medical device in that market, is progressing.

Last month, Akili was also [named](#) one of the 10 Most Innovative Companies in Medicines and Therapeutics for 2022 by Fast Company magazine in the United States. The recognition puts Akili in the company of brands like Canva, Microsoft and SpaceX and adds to the growing attention on the DTx space.

Pitt Street Research labelled TALi 'a digital therapeutic pioneer' in a recent [report](#). The company says TALi Train is a ground-breaking product and TALi's partnership with Akili Interactive has considerable potential .

Having now had the chance to meet with many of you and hear more about what motivated you to invest in TALi, we understand that you want more regular updates and our intention is to provide monthly newsletters moving forward.

I would welcome more interaction with investors and hope to catch up with more of you in the coming months, while updating progress.

Yours faithfully,

Sue MacLeman, Chair

Akili update

The Clinical Development Phase of our Agreement with Akili is underway. Work on an initial Pilot Study, part of the pathway toward the U.S. Food and Drug Administration (F.D.A.) certification to market a regulated medical device in that market, is progressing. Initial study site contracts are being negotiated and preparations are being made for the first institutional approvals for the first participant enrolment.

Consequently, an initial invoice for reimbursement of TALi's out-of-pocket clinical costs has been issued by the Company to Akili, per the terms of the Agreement. TALi expects to receive further reimbursement payments from Akili over the coming quarters.

Akili recently announced its intention to become a publicly traded company in the U.S via a merger with Social Capital Suvretta Holdings Corp. I ("SCS"), a special purpose acquisition company. Accordingly, Akili and Social Capital are required by the U.S. Securities and Exchange Commission (S.E.C.) to disclose relevant agreements with third parties. TALi has been advised its Strategic License Agreement with Akili has been filed with the S.E.C.

New Chief Medical Officer appointed



We are pleased to advise the Company has appointed [Dr Mary Elizabeth Brinson](#) as its new Chief Medical Officer. Dr Brinson was former Vice President, Global Clinical Affairs, with medical devices leader Cochlear Limited. She will have overall responsibility for all clinical, regulatory and quality activities at TALi,

including the Clinical Development Phase of the company's U.S. Strategic License Agreement with Akili.

New Board and senior management

In addition to Mary Beth's appointment, the TALi team has welcomed a number of experienced leaders in recent months including Non-Executive Director, [David Williams](#), a former senior Cochlear executive of 25 years standing.



Recent appointments in the clinical, marketing, product development and technology teams have added more than 50 years of experience in the consumer and clinical healthcare sectors to the TALi team.

This will be a pivotal year for TALi and this experienced team will be responsible for successfully executing on the company's commercialisation plans in Australia and India, progressing our clinical program with Akili, and more.

IP portfolio grows



TALi was recently granted a patent for our attention assessment and training program in New Zealand. This new patent joins those we have in the United States, Australia and Japan, with other jurisdictions underway, as part of our plan to

make the benefits of TALi available in as many places as possible and protect our intellectual property.

TALi in clinical research

TALi Train is used by children every day to help strengthen their attention. It is also used in the research community to help the world understand more about in-attention in children generally.



A recent study, [published in the Journal of Cognitive Enhancement](#) last October, adds urgency to our mission to bring access to attention training to more children and earlier. The researchers wanted to understand whether factors like a child's age could help predict the outcomes of the attention training programs like TALi's. They found younger children who received attention training showed greater improvements. They also found teachers observed greater reductions in inattention and hyperactivity in children with more ADHD symptoms after completing the training with TALi.

COVID-19 impact on children's health: the "Gathering Storm"

Professor Scott Kollins, Chief Medical Officer of Holmusk and former TALi Advisory Board Member, recently [published](#) an editorial in the Journal of Child Psychology and Psychiatry on the growing crisis in mental health.

In Australia, the Royal Australasian College of Physicians recently [called](#) for the creation of a taskforce to help alleviate the pandemic's impact on children's wellbeing and mental health.

Analyst report



**PITT STREET
RESEARCH**

Pitt Street Research's recent [report](#) labels TALi 'a digital therapeutic pioneer'. The company says TALi Train is a ground-breaking product and TALi's

partnership with Akili Interactive, a leader in digital therapeutics in the U.S., has considerable potential.

India

The impact of COVID-19 impacted the rollout of TALi in India in 2021 and delivered lessons for the company and our local partner Brand Capital Group. As we look forward to ramping up marketing activity in India it's perhaps useful



to look back on one of the successes. The initiative shown in this [video](#) was designed to help adults better understand inattention in children. Parents were asked to write a simple children's story using their non-dominant hand. To-date it has attracted more than 100,000 views on Facebook alone.

Proposed U.S. legislation

In March a bipartisan Bill, to be known as the [Access to Prescription Digital Therapeutics Act of 2022](#), was introduced in the U.S. which, if successful, will expand Medicare coverage to include Prescription Digital Therapeutics. This is an important step toward expanded access and appropriate reimbursement for digital therapeutics in the U.S. and would enable coverage and payment for DTx products by requiring CMS to issue product-specific HCPCS codes to facilitate payment based on manufacturer-reported private payor rates.

Feedback

We trust you find this update useful. We welcome your feedback. Investors are welcome to use the dedicated email address investors@talidigital.com.

Got a question? We're here to help.

Contact the TALi Digital Team

TALi Digital Limited (ASX: TD1)

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