

31 July 2019

ASX Release

Cleansing Statement

NOTICE UNDER SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001

Oventus Medical Limited (the **Company**) has today lodged an offer booklet for a fully underwritten non-renounceable pro-rata entitlement offer to raise approximately \$2.3 million, before offer costs (**Entitlement Offer**).

Under the Entitlement Offer, Eligible Shareholders can subscribe for 1 fully paid ordinary share (**New Share**) for every 20 existing shares in the Company held as at 7.00pm (Sydney time) on Monday, 5 August 2019 (**Record Date**) at an issue price of \$0.38 per New Share.

The Company advises that it will offer the New Shares for issue to Eligible Shareholders under Part 6D.2 of the Corporations Act 2001 (**Act**) and states that this notice is given to ASX under paragraph 708AA(2)(f) of the Act.

The Entitlement Offer is fully underwritten by Bell Potter Securities Limited ACN 006 390 772 and Patersons Securities Limited ACN 008 896 311 (**Underwriters**).

Eligible Shareholders may, in addition to taking up their entitlements in full, apply for additional shares (**Additional Shares**) in excess of their entitlements at the same price as under the Entitlement Offer (**Shortfall Offer**). Additional Shares will only be available where there is a shortfall between applications received from Eligible Shareholders and the number of New Shares (**Shortfall**), and subject to the allocation policy set out in the Offer Document.

Following the allocation of the Additional Shares, any remaining Shortfall will be issued to the Underwriters or sub-Underwriters in accordance with the Underwriting Agreement.

Accordingly the Company advises:

1. The Company will offer the New Shares under the Entitlement Offer without disclosure to Eligible Shareholders under Part 6D.2 of the Act.
2. As at the date of this notice, the Company has complied with:
 - a. the provisions of Chapter 2M of the Act as they apply to the Company; and
 - b. section 674 of the Act.
3. As at the date of this notice, there is no excluded information as defined in section 708AA(8) and section 708AA(9) of the Act which is required to be disclosed by the Company.

The potential affect the Entitlement Offer will have on the control of the Company is as follows:

1. if all Eligible Shareholders take up their entitlements under the Entitlement Offer, then the Entitlement Offer will have no effect on the control of the Company.
2. If some Eligible Shareholders do not take up all of their entitlements under the Entitlement Offer, then the interests of those Eligible Shareholders will be diluted;

3. the proportional interests of shareholders who are not Eligible Shareholders will be diluted because such shareholders are not entitled to participate in the Entitlement Offer.
4. the Entitlement Offer is fully underwritten by the Underwriters, who have secured sub-underwriting participation from related bodies corporate of The Thorney Investment Group (**Thorney**) which is the Company's second largest shareholder, with voting power of approximately 15.43% in the Company's ordinary shares as at the date of this notice. Thorney has indicated that it will take up to its full pro rata entitlement under the Entitlement Offer and has agreed with the Underwriters to sub-underwrite any shortfall arising under the Entitlement Offer (i.e. any Shares not taken by other eligible shareholders under the Entitlement Offer and Shortfall Offer). To the extent that no persons other than Thorney take up their rights under the Entitlement Offer as described above and Thorney accordingly takes up the Shortfall under the sub-underwriting arrangement, Thorney's voting power will increase to a maximum of approximately 18.67%. Any increase in Thorney's voting power in the Company will be minimal and will have minimal practical impact on the control of the Company as Thorney is already its controlling shareholder and will not exceed 20%.

For and on behalf of Oventus Medical Limited.



Stephen Denaro
Company Secretary
Oventus Medical Limited