

# Prospectus



O2Vent®



## SPP Offer

For the offer to each Eligible Shareholder to subscribe for up to \$30,000 of New Shares at an issue price of \$0.24 each, with one free attaching Option exercisable at \$0.36 each on or before the later of 30 June 2021 or the day that is 12 months after the date of issue (**New Option**) for every two New Shares issued, to raise up to \$2 million before costs (**SPP Offer**). The SPP Offer is underwritten up to the SPP Cap of \$2 million by Canaccord Genuity (Australia) Limited and Bell Potter Securities Limited in the event of SPP Shortfall.

## Placement Options Offer

For the offer of 9,687,500 New Options to Placement Subscribers on the basis of one (1) New Option for every two (2) Shares subscribed for by the Placement Subscribers under the Placement exercisable at \$0.36 each on or before the later of 30 June 2021 or the day that is 12 months after the date of issue (**Placement Options Offer**).

The issue of New Options under the SPP Offer and the Placement Options Offer is subject to Shareholder approval being obtained at the general meeting to be held on 12 June 2020 (**General Meeting**).

## IMPORTANT INFORMATION

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth). If you are an Eligible Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The Securities offered by this Prospectus should be considered speculative.

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## Important information

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**This Prospectus is an important document and should be read in its entirety. You should seek professional advice if you have any questions about the Offers under this Prospectus, or any matter relating to an investment in the Company.**

<b>General</b>	<p>This Prospectus is dated 5 May 2020 (<b>Prospectus Date</b>) and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.</p> <p>This Prospectus is a transaction specific prospectus for an offer of 'continuously quoted securities' (as defined in the Corporations Act) and options to acquire continuously quoted securities. It has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering or "full form" prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a 'disclosing entity' for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. New Securities will not be issued on the basis of this Prospectus later than 13 months after the Prospectus Date.</p>
<b>ASIC Class Order on Share Purchase Plans</b>	<p>In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (<b>Class Order</b>). This Class Order allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period.</p> <p>The Company is unable to rely on the Class Order for the New Options because the New Options to be issued under the SPP Offer are a new class of securities not quoted on the ASX. Accordingly, while the Company satisfies the conditions of the Class Order for the offer of the New Shares under the SPP Offer, the Company is undertaking the SPP Offer under this Prospectus.</p>
<b>Conditional Offers</b>	<p>The issue of New Options under the SPP Offer and the Placement Options Offer is subject to Shareholder approval being obtained at the General Meeting. No New Options will be issued pursuant to the SPP Offer or the Placement Options Offer until such time as Shareholder approval has been obtained.</p> <p>In the event that Shareholders do not approve the resolutions at the General Meeting, the Company will not issue any New Options under the SPP Offer or the Placement Options Offer.</p>
<b>Electronic prospectus</b>	<p>This Prospectus may be viewed in electronic form at <a href="http://investors.02vent.com">http://investors.02vent.com</a> by Australian and New Zealand investors only.</p> <p>The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during the relevant Offer Period by contacting the Company. The information on the Company's website does not form part of this Prospectus.</p>
<b>Risk factors</b>	<p>Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 5 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative.</p> <p>The information provided in this Prospectus is not investment advice or financial product advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser before deciding whether to apply for Securities pursuant to this Prospectus.</p>
<b>Overseas Applicants</b>	<p>This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue.</p> <p>By applying for New Securities, including by submitting an Application Form or making a payment using BPAY®, an Applicant represents and warrants that there has been no breach of such laws.</p>

	<p>The distribution of this Prospectus and accompanying Application Forms (including electronic copies) outside Australia and New Zealand may be restricted by law and persons who come into possession of these documents should observe any such restrictions.</p> <p>Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons. Please refer to Section 2.5 for further information.</p>
<b>Publicly available information</b>	<p>Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at <a href="http://www.asx.com.au">www.asx.com.au</a>). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for New Securities.</p> <p>The Company has not authorised any person to give any information or make any representation in connection with an Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon as having been authorised by the Company in connection with this Prospectus.</p>
<b>Taxation implications</b>	<p>The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for Securities under this Prospectus.</p> <p>The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Securities under this Prospectus.</p>
<b>Forward-looking statements</b>	<p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.</p> <p>Such forward-looking statements are provided as a general guide only and are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management. Actual outcomes may differ materially from the events, intentions or results expressed or implied in any forward looking statement in this Prospectus.</p> <p>The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Neither the Company, the Joint Lead Managers and Underwriters, nor their respective related bodies corporate or affiliates nor their respective directors, officers, partners, employees and agents give any warranty, representation, assurance or guarantee that the occurrence of the events expressed or implied in any of the forward-looking statements in this Prospectus will actually occur. In addition, please note that past performance should not be relied upon as (and is not) an indication or guarantee of future performance.</p> <p>The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.</p> <p>These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5 of this Prospectus.</p>
<b>Disclaimer of representations</b>	<p>No person is authorised to provide any information or to make any representation in connection with the Offers that is not contained in this Prospectus. Any information or representations not contained in this Prospectus may not be relied upon as having been authorised by the Company, the Joint Lead Managers and Underwriters, any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees and agents in connection with the Offers.</p> <p>None of the Joint Lead Managers and Underwriters, any of their related bodies corporates and affiliates, or any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Prospectus or any action taken by you on the basis of such information. To the maximum extent permitted by law, the</p>

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Joint Lead Managers and Underwriters, their related bodies corporate and affiliates and each of their directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offers and this Prospectus being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Joint Lead Managers and Underwriters, any of their related bodies corporate and affiliates, or any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Offers, nor do they make any representations or warranties to you concerning the Offers or any information, and you represent, warrant and agree that you have not relied on any statements made by the Joint Lead Managers and Underwriters, any of their related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares, New Options or the Offers generally.

The Joint Lead Managers and Underwriters may also hold interests in the securities of the Company or earn brokerage, fees or other benefits from the Company. The engagement of the Joint Lead Managers and Underwriters by the Company is not intended to create any agency, fiduciary or other relationship between the Joint Lead Managers and Underwriters or any other investor.

Determination of eligibility of investors for the purposes of the Offers is determined by reference to a number of matters, including legal requirements and regulatory requirements, logistical and registry constraints and the discretion of the Company and the Joint Lead Managers and Underwriters. To the maximum extent permitted by law, the Company, the Joint Lead Managers and Underwriters, their respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents expressly disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion.

To the maximum extent permitted by law, the Joint Lead Managers and Underwriters, their related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents expressly disclaim all liability in respect of, makes no representation regarding and takes no responsibility for any part of this Prospectus.

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<b>Applications</b>	<p>Applications for New Securities offered by this Prospectus can only be made on an original Application Form accompanying this Prospectus. Please read the instructions in this Prospectus and on the accompanying Application Forms regarding the acceptance of an Offer.</p> <p>By returning an Application Form, lodging an Application Form with a stockbroker or otherwise arranging for payment of New Securities in accordance with the instructions on the Application Form, an Applicant acknowledges that they have received and read this Prospectus, acted in accordance with the terms of the Offer to which the Application Form relates and agree to all of the terms and conditions as detailed in this Prospectus.</p>
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<b>Meaning of terms</b>	<p>Capitalised terms and certain other terms used in this Prospectus are defined in the Glossary in Section 9. References to \$, A\$, AUD, or dollar are references to Australian currency, unless otherwise stated. References to time relate to the time in Brisbane, Australia, unless otherwise stated.</p>
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## Key offer information

### Timetable<sup>1</sup>

Record Date	7:00pm, Thursday, 30 April 2020
Announcement of SPP Offer	Friday, 1 May 2020
Lodgement of Prospectus with ASIC and ASX	Tuesday, 5 May 2020
Issue of New Shares under the Placement	Thursday, 7 May 2020
Despatch of Prospectus	Friday, 8 May 2020
Opening Date of SPP Offer and Placement Options Offer	Friday, 8 May 2020
General Meeting	Friday, 12 June 2020
Closing Date for SPP Offer <sup>2</sup> and Placement Options Offer	Monday, 15 June 2020
Issue of New Shares and New Options under the SPP Offer as approved at the General Meeting	Tuesday, 23 June 2020
Issue of New Options under the Placement Options Offer as approved at the General Meeting	Tuesday, 23 June 2020
Despatch of Holding Statements for Shares under SPP Offer	Wednesday, 24 June 2020
Trading commences for Shares under SPP Offer	Wednesday, 24 June 2020

**Note:**

1. The above dates are indicative only and subject to change. The Company may vary these dates without notice, including whether to close an Offer early, extend an Offer, or accept late Applications, either generally or in particular cases. Investors who wish to submit an Application and subscribe for Securities under an Offer are encouraged to do so as soon as possible after the Offers open as the Offers may close at any time without notice.
2. Subscribers under the SPP Offer should ensure that they have lodged their Application Form by this date.

### Key SPP Offer details

Offer	Details
Price per New Share under the SPP	\$0.24
New Shares offered under the SPP	8,333,333
New Options offered under the SPP	4,166,667
Cash proceeds of the SPP (before costs)	\$2 million

**Note:** The figures in the table above assume full subscription under the SPP Offer as the SPP Offer is underwritten up to \$2 million, being the SPP Cap.

**Note:** Refer to Section 7.1 for detail of the shareholder approval requirements at the General Meeting.

### Key Placement details

Offer	Details
New Shares to be issued under the Placement (to be issued on 7 May 2020)	19,010,416
New Shares to be issued under the Placement (to be issued to related parties - subject to Shareholder approval at the General Meeting)	364,584
New Options offered under the Placement Options Offer (offered under this Prospectus)	9,687,500
Cash proceeds of the Placement (before costs)	\$4.65 million

**Note:** Refer to Section 7.1 for detail of the shareholder approval requirements at the General Meeting.

## Letter to Shareholders

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Dear Shareholder,

### INVITATION TO PARTICIPATE IN SECURITIES PURCHASE PLAN

On behalf of the Board of Oventus Medical Limited ("**Oventus**" or "**the Company**") it gives me great pleasure to invite Eligible Shareholders to participate in our securities purchase plan (**SPP**).

The SPP allows you to acquire New Shares in the Company at a price of \$0.24 per Share plus free attaching Options (**New Options**). The SPP is being conducted as part of a wider funding exercise to raise up to \$6.65 million, comprising the \$2.0 million SPP and a Placement of \$4.65 million.

This capital raising comes at a time when Oventus is making progress with the commercialisation of its patented and disruptive technology for the treatment of Obstructive Sleep Apnoea (**OSA**) – a condition with a substantial unmet medical need.<sup>1</sup>

Oventus is continuing with the rollout of its Lab-in-Lab model across North America, with demand from both dentists and sleep groups. The Lab-in-Lab model addresses the historical disconnect between sleep physicians and dentists in the treatment of OSA and enables them to work together collaboratively to provide an efficacious result for patients.

Despite the macroeconomic downturn as a result of COVID-19, demand for this business model and the Oventus technology is accelerating.

Funds raised under the SPP will help meet this growing demand for Oventus' products and services as Oventus continues with its commercialisation strategy and its focus on treating those OSA patients that cannot be treated effectively with existing treatment modalities.

The SPP gives Eligible Shareholders the opportunity to increase their Oventus shareholding without paying brokerage fees or other transaction costs, irrespective of holding size. Eligible Shareholders can purchase up to \$30,000 worth of New Shares at \$0.24 per Share. The SPP is capped at \$2.0 million (**SPP Cap**). Oversubscriptions will be scaled back on a pro-rata basis.

In addition, for every two new Shares you will receive one free Option that will allow you buy a Share for \$0.36 cents at any time on or before the later of 30 June 2021 or the day that is 12 months after the date of issue.

The SPP Offer is fully underwritten up to the SPP Cap. Any New Shares (and corresponding New Options) not taken up by Eligible Shareholders under the SPP Offer will form the SPP Shortfall. The SPP Shortfall will be taken up by the Underwriters (and any sub-underwriters or nominees nominated by them) in connection with the Underwriters' obligations under the Underwriting Agreement (**Eligible Shortfall Participants**).

Also included in this Prospectus is the offer of Options under the Placement Options Offer. Under this offer, the Company invites the Placement Subscribers to apply for Options in accordance with the placement letters entered into in connection with the Placement. The Options are offered on the same basis as under the SPP Offer; namely, one free Option for every two Shares subscribed for in the Placement. These Options are exercisable at \$0.36 cents at any time on or before the later of 30 June 2021 or the day that is 12 months after the date of issue. Only Placement Subscribers who participated in the Placement may participate in the Placement Options Offer.

All the details pertaining to the SPP and the Placement Options Offer are contained in this Prospectus. Please read this Prospectus carefully before deciding whether or not to invest. An investment in the Company contains specific risks which you should consider before making that decision. A non-exhaustive list of risk factors relevant to an investment in the Company is set out in Section 5. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional adviser.

<sup>1</sup> Source: Primary research with experts, U.S. Census (2014), Peppard "Increased Prevalence of Sleep-disordered Breathing in Adults." American Journal of Epidemiology (2013)

As a Board, we appreciate the support of our existing Shareholders and we have been mindful of providing existing Shareholders the opportunity to increase their investment in the Company on the same terms as the Placement. This SPP Offer represents an opportunity for shareholders to invest directly in the Company during an important point in our commercialisation history. On behalf of my fellow directors, I welcome your ongoing support.

Yours sincerely.

A handwritten signature in black ink, appearing to read 'm j Bridges'.

Mel Bridges  
Chairman



## 1 Details of the Offers

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### 1.1 Background

On Friday, 1 May 2020, the Company announced a \$6.65 million financing package comprising:

- (a) a placement to raise \$4.65 million before costs by the issue of 19.375 million Shares at \$0.24 per Share plus 9.687 million free-attaching Options on the basis of one (1) Option for every two (2) Shares subscribed for under the placement (**Placement**); and
- (b) a securities purchase plan to Eligible Shareholders to raise up to a further \$2 million (**SPP Offer**) before costs by the issue of 8.333 million Shares at \$0.24 per Share plus 4.167 million free-attaching Options on the basis of one (1) Option for every two (2) Shares subscribed for under the SPP Offer.

The New Options attaching to the New Shares issued under both the Placement Option Offer and the SPP Offer have an exercise price of \$0.36 and can be exercised at any time on or before the later of 30 June 2021 or the day that is 12 months after the date of issue.

#### Placement

The Company is conducting the Placement, as follows:

- (a) the Company issued a total of 19,010,416 Shares under the Placement to non-related parties of the Company (**Placement Subscribers**) at a price of \$0.24 per New Share on Thursday, 7 May 2020 utilising its existing placement capacity; and
- (b) the Company proposes to issue a total of 364,584 Shares under the Placement to related parties of the Company (**Placement Subscribers**) at a price of \$0.24 per New Share following shareholder approval; and
- (c) the offer of the 9,687,500 New Options to the Placement Subscribers under the Placement is one of the Offers being made under this Prospectus (**Placement Options Offer**). As disclosed in the Timetable on page 6 of this Prospectus, the New Options are expected to be issued on or around Tuesday, 23 June 2020.

The issue of the New Options under the Placement Options Offer and all New Shares and New Options to related parties of the Company is subject to Shareholder approval being obtained at the General Meeting to be held on 12 June 2020.

#### SPP Offer

In conjunction with the Placement, the Company is providing an opportunity by this Prospectus for Eligible Shareholders to participate in a raising of up to a further \$2 million by the SPP Offer.

Under the SPP Offer, Eligible Shareholders may apply for up to \$30,000 of New Shares at an issue price of \$0.24 per New Share together with receiving one (1) free-attaching New Option for every two (2) New Shares subscribed for by Eligible Shareholders.

As disclosed in the Timetable on page 6 of this Prospectus, the New Shares and New Options under the SPP Offer are expected to be issued on or around Tuesday, 23 June 2020.

The issue of the New Options under the SPP Offer is subject to Shareholder approval being obtained at the General Meeting to be held on 12 June 2020.

#### **The SPP Offer is being conducted on the same terms as the Placement.**

ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**Class Order**) allows a company to undertake a share purchase plan without the need for issuing a prospectus, so long as the share purchase plan complies with certain conditions. The Company is unable to rely on this Class Order to undertake the SPP Offer with respect to the New Options as Class Order 09/425 does not allow for the issue of options under a share

purchase plan. By reason of the restrictions in the Class Order, the SPP Offer (of both New Securities) is being made under this Prospectus. The Company intends to undertake the SPP Offer in accordance with the terms and conditions for share purchase plans expressed in the Class Order.

## 1.2 SPP Offer

### (a) Offer details

By this Prospectus, the Company invites Eligible Shareholders to participate in the SPP.

Under the SPP, the Company offers to Eligible Shareholders a total of 8,333,333 New Shares at an issue price of \$0.24 each and a total of 4,167,667 free-attaching New Options, to raise \$2 million (before costs).

Eligible Shareholders may apply for New Securities under the SPP, but are not required to do so.

The SPP is subject to the terms and conditions set out in this Prospectus.

Each Eligible Shareholder is entitled to apply for up to 125,000 New Shares at \$0.24 each, with one New Option for every two Shares subscribed, totalling a maximum of \$30,000, regardless of the number of Shares held by that Eligible Shareholder.

The issue of New Options under the SPP Offer is subject to Shareholder approval being obtained at the General Meeting.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares. All of the New Options offered under this Prospectus will be issued on the terms and conditions set out in Section 4.2 of this Prospectus.

All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose of the SPP Offer and the intended use of funds raised, as previously disclosed to ASX, is set out in Section 3.2 of this Prospectus.

### (b) The issue price

The price per New Share on offer under the SPP Offer (**Issue Price**) is \$0.24. This is the same issue price as for the Placement. The Issue Price reflects an 18.4% discount to the 5-day VWAP (A\$0.294) of Shares traded on the ASX ending on the day before the day on which the issue was announced. The current Share price can be obtained from the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code: OVN).

You acknowledge that the market price of New Shares may rise or fall between the date of this SPP Offer and the issue date of the New Shares and New Options under the SPP, and that the effect of this is that the issue price you pay for the New Shares may exceed the market price of Shares on the issue date.

### (c) Eligibility to participate

Shareholders who were registered in the Company's register of Shareholders with an Australian or New Zealand address at the Record Date (i.e. 7.00pm (AEST) on Thursday, 30 April 2020) will be Eligible Shareholders and may participate in the SPP, except in respect of any Shares such registered Shareholder holds on behalf of another person who resides outside of Australia or New Zealand.

Due to foreign securities laws, it is not practical for Shareholders resident in countries other than Australia and New Zealand to be offered the opportunity to participate in the SPP Offer.

## (d) Joint holders

Shareholders who are joint holders of Shares are taken to be a single registered Shareholder for the purposes of the SPP and the certification in the Application Form by any joint holder is taken to have been given by all joint holders.

A Shareholder who receives more than one invitation to participate in the SPP (e.g. if the Shareholder holds Shares in more than one capacity) may not apply for New Shares:

- (i) with an aggregate value of more than \$30,000; or
- (ii) which would result in the aggregate value of the New Shares applied for (including through a Custodian (see Section 2.6 below)) under the SPP and any similar arrangement in the last 12 months being more than \$30,000.

## (e) Custodians

An Eligible Shareholder who holds Shares as Custodian (see Section 2.6 below) for one or more persons on the Record Date (**Beneficiaries**) may apply for up to the maximum number of New Securities for each Beneficiary for whom the Custodian holds Shares.

The Custodian must annex a certificate (**Custodian Certificate**) to its Application Form setting out the following information:

Item	Requirements
Nature of relationship	<p>Either or both of the following:</p> <ul style="list-style-type: none"> <li>that the Custodian holds Shares on behalf of one or more Beneficiaries who are residents in Australia or New Zealand (each a <b>Participating Beneficiary</b>) who are not Custodians; or</li> <li>that another Custodian (<b>Downstream Custodian</b>) holds beneficial interests in Shares on behalf of one or more Participating Beneficiaries, and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,</li> </ul> <p>on the Record Date and that each Participating Beneficiary has instructed the Custodian or the Downstream Custodian (as applicable) to apply for New Securities under the SPP on their behalf.</p>
Participating Beneficiary details	The number of Participating Beneficiaries as well as their names and addresses.
Holding	<p>Either:</p> <ul style="list-style-type: none"> <li>the number of Shares that the Custodian holds on behalf of each Participating Beneficiary; and/or</li> <li>in the case of a Downstream Custodian, the number of Shares to which each Participating Beneficiary's beneficial interest relates.</li> </ul>
Application amount	The number or dollar amount of New Securities that each Participating Beneficiary has instructed the Custodian or the Downstream Custodian (as applicable) to apply for on behalf of each Participating Beneficiary.

Item	Requirements
Confirmation that maximum application not exceeded	That the total Application Monies for: <ul style="list-style-type: none"> <li>New Securities applied for under the SPP for each Participating Beneficiary for whom the Custodian acts, directly or indirectly through a Downstream Custodian does not exceed \$30,000; and</li> <li>any other Shares issued to the Custodian or Downstream Custodian, in the capacity as custodian or nominee for each Participating Beneficiary, under any arrangement similar to the SPP in the last 12 months does not exceed \$30,000.</li> </ul>
Provision of Prospectus to Beneficiaries	That a copy of the Prospectus was given to each Beneficiary.
Downstream Custodians	In cases where Shares are held for a Downstream Custodian, the name and address of each Downstream Custodian.

Custodians should request a Custodian Certificate when making an Application on behalf of Participating Beneficiaries.

To request a Custodian Certificate please contact Computershare Intermediary Services Team on 1800 095 862 or [custodians@computershare.com.au](mailto:custodians@computershare.com.au). For further information on how to apply, contact the Share Registry via the SPP Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEST), Monday to Friday during the Offer Period.

### 1.3 Allocation and scale-back

In the event that Applications for New Securities under the SPP exceed the total amount of the New Securities offered under the plan, then Applications will be scaled back. The Directors propose to scale back on a pro-rata equal basis.

The Company cannot guarantee that all Eligible Shareholders to the SPP will receive the number of New Securities applied for. If an Eligible Shareholder does not receive any or all of the New Securities applied for, the excess Application Monies will be returned to the Eligible Shareholder without interest.

The Company will not allocate New Securities under the SPP to the extent that the recipient's voting power in the Company would breach the takeover thresholds in the Corporations Act (i.e. in circumstances where the recipient would acquire a controlling interest in 20% or more of the issued Shares, or increase an existing controlling interest of more than 20%, subject to certain exceptions).

### 1.4 Underwriting of SPP Shortfall

Subject to the terms and conditions of the Underwriting Agreement (for further information see section 7.2 of this Prospectus) and the shareholder approvals discussed in section 7.1, the SPP Offer will be underwritten up to the SPP Cap of \$2 million by Canaccord Genuity (Australia) Limited and Bell Potter Securities Limited which are acting as Joint Lead Managers and Underwriters to the SPP Offer.

Any New Shares (and corresponding New Options) not taken up by Eligible Shareholders under the SPP Offer will form the SPP Shortfall.

The ability for the Underwriters (and any sub-underwriters or nominees nominated by them) to subscribe for the New Shares and New Options under the SPP Shortfall is subject to the Company having sufficient placement capacity to complete the issue of such securities. To

that end, the Company is seeking Shareholder approval at the General Meeting to be held on 12 June 2020 for the issue of the New Shares and New Options under the SPP Shortfall to Underwriters (and any sub-underwriters or nominees nominated by them).

Subject to the terms of the Underwriting Agreement, if:

- (a) no applications are received for the New Shares and New Options under the SPP, the Underwriters will be required to subscribe for the full amount of New Shares and New Options offered under the SPP Offer up to the SPP Cap;
- (b) subscriptions are received for New Offer Shares and New Options under the SPP, but the amount applied for represents less than the SPP Cap, the Underwriters will be required to subscribe for New Shares and New Options such that the total dollar amount raised under the SPP Offer will be equal to the SPP Cap; or
- (c) applications are received for the full amount of the New Shares and New Options offered under the SPP, the Underwriters will not have an obligation to subscribe for New Shares and New Options under the SPP Offer.

Subject to compliance with all law, the Underwriters have the right to nominate and determine who is to receive all of the New Shares and New Options in respect of the SPP Shortfall in their absolute discretion.

The Company will not allocate New Securities under the SPP Shortfall Offer to the extent that the recipient's voting power in the Company would breach the takeover thresholds in the Corporations Act (i.e. in circumstances where the recipient would acquire a controlling interest in 20% or more of the issued Shares, or increase an existing controlling interest of more than 20%, subject to certain exceptions).

## **1.5 Placement Option Offer**

By this Prospectus, the Company invites the Placement Subscribers to apply for New Options under the Placement Options Offer in accordance with the placement letters entered into in connection with the Placement.

Under the Placement Options Offer, the Company offers to Placement Subscribers a total of 9,687,500 free-attaching New Options for nil cash consideration. Only Placement Subscribers who participated in the Placement may participate in the Placement Options Offer.

The issue of New Options under the Placement Options Offer is subject to Shareholder approval being obtained at the General Meeting proposed to be convened on 12 June 2020.

The New Options offered under the Placement Options Offer will be issued on the terms and conditions set out in Section 4.2 of this Prospectus. All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

## **1.6 Timetable**

Each of the Offers will open on Friday, 8 May 2020. The SPP Offer and Placement Options Offer will close at 5:00pm (AEST) on Monday, 15 June 2020.

The indicative timetable for the Offers is set out in the Timetable on page 6 of this Prospectus.

The Directors reserve the right to extend the Offer Period in relation to one or more of the Offers, or to close an Offer prior to its Closing Date, subject to the requirements of the Corporations Act and the Listing Rules.

The Directors may withdraw this Prospectus or an Offer at any time prior to the issue of New Securities pursuant to that Offer.

## **1.7 Minimum subscription**

The SPP Offer has a minimum subscription of \$3,000 per Eligible Shareholder. There is no minimum subscription under the Placement Options Offer.

## **1.8 ASX quotation**

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the Timetable set out on page 6 of this Prospectus. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by ASIC), the Company will not issue any and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The Company is not seeking Official Quotation of the New Options offered pursuant to this Prospectus.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares or Options now offered.

## 2 Application for securities

### 2.1 SPP Offer

#### (a) Making an Application

An Eligible Shareholder that would like to participate in the SPP Offer can do so by completing and lodging the SPP Offer Application Form which accompanies this Prospectus. Applications for New Securities under the SPP Offer may be made with respect to any one of the following amounts:

	<b>SPP Application Amount</b>	<b>Number of Shares which may be purchased</b>	<b>Number of free New Options</b>
<b>Offer A</b>	\$30,000	125,000	62,500
<b>Offer B</b>	\$20,000	83,333	41,667
<b>Offer C</b>	\$15,000	62,500	31,250
<b>Offer D</b>	\$10,000	41,666	20,883
<b>Offer E</b>	\$7,500	31,250	15,625
<b>Offer F</b>	\$3,000	12,500	6,250

If a SPP Offer Application Form is not completed correctly or if the accompanying payment is for an incorrect amount, it may be treated by the Company as valid at its discretion. If the exact amount of required Application Monies are not tendered with a SPP Offer Application Form, the Company reserves the right to either:

- (i) return the SPP Offer Application Form and/or Application Monies received and not issue any New Securities to the Applicant; or
- (ii) issue to the Applicant the maximum number of New Securities represented by the Application Monies received and refund any excess amount to that Applicant by cheque or electronic funds transfer as soon as possible, without interest.

Eligible Shareholders that have not received their Prospectus and personalised SPP Offer Application Form, or require a replacement via post or email, should contact the Share Registry using the contact details set out in the Corporate Directory Section of this Prospectus above.

The Company reserves the right to accept a lesser amount to the total number of New Securities applied for by an Eligible Shareholder on the SPP Offer Application Form (including if the SPP Offer closes oversubscribed), at the Company's complete discretion.

In the event there is an SPP Shortfall, if you are an Eligible Shortfall Participant in the SPP Offer, your ability to participate in the SPP Offer will be limited to the extent there is an SPP Shortfall.

#### (b) Payment by cheque or money order

Unless an Eligible Shareholder pays using BPAY® as outlined below, a SPP Offer Application Form must be accompanied by a personal cheque or money order, payable in Australian dollars, for an amount equal to the number of New Shares for which the Eligible Shareholder wishes to apply, multiplied by the Offer Price (i.e. \$0.24) of those New Shares.

Cheques or money orders must be made payable to "Oventus Medical Limited" and should be marked "Not Negotiable".

Completed SPP Offer Application Forms and accompanying cheques or money orders must be received by the Company before **5:00pm (AEST) on relevant Closing Date** at the following address:

Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne VIC 3001

(c) Payment using BPAY®

Eligible Shareholders who wish to submit an Application and make payment using BPAY® under the SPP should follow the instructions on the SPP Offer Application Form which includes the 'Biller Code' and the Applicant's individual 'Customer Reference Number'.

Shareholders who have elected to receive their Shareholder communications via email should follow the instructions outlined in their email invitation. The email invitation is expected to be sent on Friday, 8 May 2020.

Eligible Shareholders can only make payment using BPAY® with respect to the SPP Offer, and if they have an account with an Australian financial institution that supports such transactions. Eligible Shareholders must ensure to use the specific 'Biller Code' and 'Customer Reference Number' on their individual SPP Offer Application Form or as outlined at the final confirmation page of the online application process. An Application may not be accepted if these details are incorrect. The 'Customer Reference Number' is used to identify each Eligible Shareholder's holding.

Eligible Shareholders with more than one holding of Shares may receive multiple 'Customer Reference Numbers'. Such Eligible Shareholders can apply under one or more of their holdings, provided that they do not apply for more than \$30,000 worth of New Shares in total for all holdings.

Payments must be made in Australian dollars for an amount equal to the number of New Shares for which the Eligible Shareholder wishes to apply, multiplied by the Offer Price (\$0.24).

If an Applicant makes a payment using BPAY®, a SPP Offer Application Form does not need to be submitted to the Company. However, by paying Application Monies by BPAY®, the Eligible Shareholder will be taken to have made the declarations on the Application Form.

BPAY® payments of Application Monies must be received before **5:00pm (AEST) on the Closing Date**.

Eligible Shareholders should take into account when making an Application that their individual financial institutions may implement earlier cut-off times for BPAY® payments. It is an Eligible Shareholder's responsibility to ensure that the Application Monies are received by the Company before the Closing Date.

Where the amount applied for results in a fraction of a New Option or New Shares, the number of New Options or New Shares issued will be rounded down to the nearest whole New Option or New Shares.

## 2.2 Placement Options Offer

Applications for New Options under the Placement Options Offer may only be submitted by the Placement Subscribers (or their nominees) and must be made using the Placement Options Offer Application Form that accompanies this Prospectus and is provided directly to the Placement Subscribers. The Placement Options Offer Application Form must be completed in accordance with instructions provided to Placement Subscribers.

Completed Placement Options Offer Application Forms must be received by the Company **before 5:00pm (AEST) on the Closing Date** as specified in the Placement Options Offer Application Form.



Where the amount applied for results in a fraction of a New Option, the number of New Options issued will be rounded down to the nearest whole New Option.

## **2.3 Lodgement instructions and effect of making an Application**

Applications for New Securities must be submitted on an Application Form attached to or accompanying this Prospectus (other than if the Applicant makes a BPAY® payment – refer to Section 2.1(c)). An Application Form must be completed in accordance with the instructions provided with that Application Form.

An original, completed and lodged Application Form constitutes a binding and irrevocable offer to subscribe for the number of New Securities specified in that Application Form. An Application Form does not need to be signed to be valid. Once an Application has been made, it cannot be revoked.

If an Application Form is not completed correctly, it may be treated by the Company as valid at its discretion. The Directors' decision as to whether to treat such an Application as valid and how to construe, amend or complete a form is final. However, in relation to the SPP Offer an Applicant will not be treated as having applied for more New Securities than is indicated by the amount of Application Money.

Brokerage or transfer/stamp duty is not payable in relation to the Offer.

The Company reserves the right to refuse a completed Application Form if it has reason to believe that an Applicant has not received a copy of this Prospectus in paper or electronic form, or the Prospectus or Application Form provided to the Applicant has been altered or tampered with in any way.

If a person makes an Application, that person:

- (a) irrevocably and unconditionally agrees to the terms of the relevant Offer set out in this Prospectus;
- (b) acknowledges that their Application is irrevocable and unconditional;
- (c) if the Application has been made under the SPP Offer, agrees to pay the Offer Price for each New Share which they have applied for, subject to any scale back (refer to Sections 1.3); and
- (d) if the Application has been made under the SPP Offer, warrants and represents to the Company that they are an Eligible Shareholder entitled to participate in the SPP Offer.

## **2.4 Application Money to be held on trust**

Application Money will be held by the Company on trust in accordance with the requirements of the Corporations Act until the Securities to which the Application Money pertains are issued under the SPP Offer, or a refund of Application Money occurs in the circumstances described in this Prospectus. The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

## **2.5 Applicants outside of Australia**

- (a) General

This Prospectus does not constitute an offer of New Securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offers.

It is the responsibility of any Applicant who is a resident outside Australia to ensure compliance with all laws of any country relevant to their Application, and any such Applicant should consult their professional adviser as to whether any government or other consents are required, or whether any formalities need to be observed to enable

them to apply for and be issued New Securities. Return of a duly completed Application Form will constitute a representation and warranty by an Applicant that there has not been any breach of such regulations.

The Company has not taken any action to register or qualify the New Securities or an Offer, or otherwise to permit a public offering of the New Securities, in any jurisdiction outside Australia.

(b) New Zealand resident Eligible Shareholders

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom *the offer of New Shares is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

(c) Other overseas resident Shareholders

This Prospectus may not be released or distributed in any country other than Australia and New Zealand. The Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any country other than Australia and New Zealand.

The distribution of this Prospectus and accompanying Application Forms (including electronic copies) outside Australia and New Zealand may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

## 2.6 Determination of custodians – SPP

A Shareholder is a Custodian if they satisfy any of the following:

Item	Requirements
Licensee	That Shareholder holds an Australian financial services licence (under the Corporations Act) that covers: <ul style="list-style-type: none"> <li>the provision of a custodian or depositary service; or</li> <li>the operation of an IDPS (as that term is defined in ASIC Class Order 13/763).</li> </ul>
Exempt by regulation or legislative instrument	That Shareholder is exempt under: <ul style="list-style-type: none"> <li>regulation 7.6.01(1)(k) of the Corporations Regulations 2001 (Cth) (Corporations Regulations);</li> <li>regulation 7.6.01(na) of the Corporation Regulations;</li> <li>ASIC Class Order 14/1000 or 14/1001;</li> <li>Schedule 2 to ASIC Corporate (Repeal and Transitional) Instrument 2017/396;</li> <li>an instrument, not being a legislative instrument, made by ASIC and which applies to the person on terms similar to Schedule 2 of ASIC Corporate (Repeal and Transitional) Instrument 2017/396 or any of ASIC Class Orders repealed by that legislative instrument; or</li> <li>paragraph 911A(2)(h) of the Corporations Act,</li> </ul> from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service.

Superannuation trustee	That Shareholder is the trustee of a self-managed superannuation fund or a superannuation master trust (as those terms are defined in the ASIC Class Order).
Responsible entity	That Shareholder is a responsible entity of an IDPS-like scheme as that term is defined in the ASIC Class Order.
Registered holder	That Shareholder is noted on the Company's register of Shareholders as holding the Shares on account of another person.

If a Shareholder holds Shares as a trustee or nominee for another person or persons but is not a Custodian as defined above, that Shareholder cannot participate in the SPP for beneficiaries for whom they hold Shares in the manner described above. In such instance, the rules for multiple single holdings (above) apply.

The Company reserves the right to reject any Application to the extent that it considers that the Application (whether alone or in conjunction with other Applications) does not comply with the requirements set out above.

The Company also reserves the right to reject Applications in accordance with the terms and conditions of this Prospectus.

## 2.7 CHESS and issuer sponsorship

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of its Securities.

Under CHESS, the Company does not issue certificates to the holders of Securities. Instead, the Company provides holders with a Holding Statement (similar to a bank account statement) that sets out the number of New Securities allotted and issued to them under this Prospectus.

This Holding Statement also advises investors of either their Holder Identification Number (**HIN**) in the case of a holding on the CHESS sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer sponsored sub-register.

A Holding Statement is routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time; however, a charge may be incurred for additional statements.

## 2.8 Taxation implications

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for New Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions for potential Applicants.

Neither the Company nor any of its advisers or officers accept any responsibility or liability for any taxation consequences to potential Applicants in relation to the Offers. Potential Applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Offers.

## 2.9 Privacy disclosure

The Company collects information about each Applicant from the Application Forms for the purpose of processing the Application and, if the Applicant is successful, for the purposes of administering the Applicant's Security holding in the Company. By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement. The Company and the Share Registry may disclose an Applicant's personal information for purposes related to the

Applicant's investment to their agents and service providers including those listed below or as otherwise authorised under the Privacy Act:

- (a) the Share Registry for ongoing administration of the Company's register;
- (b) the Company's Related Bodies Corporate, agents, contractors and third party service providers, as well as to ASX, ASIC and other regulatory authorities (including the Australian Taxation Office); and
- (c) the printers and the mailing house for the purposes of preparing and distributing Holding Statements and for the handling of mail.

If an Applicant becomes a Security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the Securities held) in its public register. This information must remain in the Company's register of Shareholders even if that person ceases to be a Security holder of the Company. Information contained in the Company's register of Shareholders is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Security holders) and compliance by the Company with legal and regulatory requirements.

If an Applicant does not provide the information required on the Application Form, the Company may not be able to accept or process their Application.

Under the Privacy Act, a person may request access to their personal information held by (or on behalf of) the Company or the Share Registry. An Applicant can request access to their personal information by writing to the Company through the Share Registry

## **2.10 Enquiries**

Any questions concerning the Offers should be directed to the SPP Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (AEST), Monday to Friday during the Offer Period.

### 3 Purpose and effect of the SPP and Placement

#### 3.1 Principal effect of the SPP and Placement on the Company

The principal effects of the SPP and the Placement, assuming the SPP and the Placement are fully subscribed, will be to:

- (a) increase the number of Shares on issue by 27,708,333 Shares, from 130,529,717 Shares immediately prior to the Placement, to 158,238,050 Shares, representing a dilution of approximately 18% based on the total Shares on issue after completion of both the Placement and the SPP (assuming that none of the existing Options are exercised);
- (b) increase the number of Options on issue by 13,854,167, from 5,999,952 Options immediately prior to the Placement, to 19,854,119 Options; and
- (c) increase cash reserves by approximately \$6,171,830 million (on a full subscription basis – given the SPP has been underwritten by the Underwriters up to the SPP Cap) immediately after completion of the SPP and the Placement and payment of the costs and expenses set out in Section 7.8, including the estimated expenses of the SPP and the Placement.

#### 3.2 Use of funds

The funds raised from the SPP Offer together with the Placement are planned to be used in accordance with the table set out below:

Proceeds of the SPP Offer and Placement	Full subscription (\$)	%
Fund the implementation of Lab-in-Lab sites that have been signed along with additional sites to be signed and implemented to meet growing demand for the Company's products and services.	\$3,671,830	55%
Capital expenditures including digital scanners for Lab-in-Lab implementation and manufacturing scale-up	\$1,500,000	23%
Other operating expenses and working capital costs	\$1,000,000	15%
Expenses of the SPP and Placement	\$478,170	7%
<b>Total</b>	<b>\$6,650,000</b>	<b>100%</b>

Notes:

1. Refer to Section 7.8 of this Prospectus for further details relating to the estimated expenses of the SPP Offer and the Placement.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

If there is a shortfall under the SPP Offer, the shortfall will constitute the SPP Shortfall Offer, made to Eligible Shortfall Participants, being the Underwriters (and any sub-underwriters or nominees nominated by them).

On completion of the Offers, the Board believes the Company will have sufficient working capital to achieve the above objectives. However, to the extent the New Shares or New Options under an Offer are not all issued because a relevant Shareholder approval is not passed at the General Meeting, the Company will scale back and/or delay some of the activities detailed above, while it seeks alternative sources of funding.

For more information on the resolutions to be put to Shareholders at the General Meeting, please refer to Section 7.1.

### 3.3 Effect on capital structure

The effect of the SPP and Placement on the capital structure of the Company, assuming all SPP Offers are accepted (either through the SPP Offer or subsequently taken up under the SPP Shortfall Offer), is set out in the table below.

#### Shares

Securities	Number
<b>Shares</b>	
Shares on issue on the Prospectus Date (i.e. prior to the issue of the New Shares under the Placement)	130,529,717
New Shares to be issued to the Placement Subscribers under the Placement <sup>1</sup>	19,375,000
New Shares to be issued under the SPP	8,333,333
<b>Total Shares on issue at completion of the SPP and Placement</b>	<b>158,238,050</b>
<b>Options</b>	
Options on issue prior to Placement <sup>2</sup>	5,999,952
New Options to be issued to the Placement Subscribers under the Placement <sup>3 &amp; 4</sup>	9,687,500
New Options to be issued under the SPP <sup>3 &amp; 4</sup>	4,166,667
<b>Total Options on issue at completion of the SPP and Placement</b>	<b>19,854,119</b>

#### Notes:

1. New Shares to be issued under the Placement to Placement Subscribers that are related parties, are subject to the Company obtaining Shareholder approval at the General Meeting.

2. The figures in the table above assume that other Shares are not issued (including on the exercise of Options, warrants or performance rights) prior to the close of the Offers.

3. Option expiring on the later of 30 June 2021 or the day that is 12 months after the date of issue (Sydney time) exercisable at \$0.36 each.

4. The issue of the New Options is subject to the Company obtaining Shareholder approval at the General Meeting.

The capital structure on a fully diluted basis as at the Prospectus Date would be 136,529,669 Shares and on completion of the Offers (assuming all New Shares are accepted either through the Placement, SPP Offer or subsequently taken up under the Underwriting Agreement and all Options are exercised) would be 178,092,169 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

### 3.4 Effect of the SPP and Placement on control of the Company

As at the Prospectus Date, the Company has 130,529,717 Shares on issue (this does not include Shares to be issued to Placement Subscribers under the Placement as they are timetabled to be issued on 7 May 2020) and 5,999,952 unquoted Options on issue.

The Company has managed the Placement, and will manage the SPP Offer (including the Underwriting), such that none of the Applicants will obtain a relevant interest in Shares of 20% or more.

The Company does not anticipate that the acquisition of Shares by any Shareholder under any Offer will result in any Shareholder either becoming a substantial Shareholder, or obtaining a relevant interest in Shares of 20% or more. The Company therefore does not anticipate that the SPP and Placement will have any material effect on control of the Company.

### 3.5 Substantial holdings

A “substantial holding” is defined under section 9 of the Corporations Act to mean a relevant interest in 5% or more of the voting shares in a company. The table below sets out the Shareholders with a substantial holding based on the Company’s register of Shareholders as at the Prospectus Date.

Shareholder <sup>1</sup>	Shares	% Interest
Dr Chris Hart <sup>2</sup>	26,542,513	20.3%
Thorney Holdings	19,434,550	14.9%

Note:

- The information in the above table has been extracted from the Company’s register of Shareholders as at the Prospectus Date, and not from substantial holding notices received from, or otherwise required to be provided, by the relevant Shareholders.
- Dr Chris Hart is a Director of the Company. This holding includes shares held by a number of associates of Dr Chris Hart. Dr Chris Hart has indicated that he will not take up any New Shares or New Options in the SPP Offer. Nor did Mr Chris Hart take up any securities under the Placement.

### 3.6 Potential dilution to Shareholders

Shareholders should note that if they do not participate in the SPP Offer, their shareholdings are likely to be diluted by approximately 5.3% (as compared to their holdings and number of Shares on issue as at the Record Date (but assuming the Shares under the Placement are already issued)).

Examples of how the dilution may impact Shareholders is set out in the table below.

Holder	Holding as at Record date	Percentage at Record Date	Percentage as at the Record Date (but assuming the Shares under the Placement are issued) <sup>1</sup>	Percentage on completion of the SPP Offer and the Placement	
				If SPP Offer is accepted	If SPP Offer is not accepted
Shareholder 1	50,000,000	38.3%	33.4%	31.6%	31.6%
Shareholder 2	15,000,000	11.5%	10.0%	9.5%	9.5%
Shareholder 3	4,000,000	3.1%	2.7%	2.6%	2.5%
Shareholder 4	500,000	0.4%	0.3%	0.4%	0.3%

Notes:

- The dilutive effect shown in the table assumes that Shareholders did not participate in the Placement.
- The dilutive effect shown in the table is the maximum percentage on the assumption that the Company raises the capped aggregate of \$2 million under the SPP Offer. The table assumes that those New Shares and New Options under the SPP are not accepted by Eligible Shareholders under the SPP Offer are placed under the Underwriting Agreement.
- The dilutive effect shown in the table assumes that no existing Options are exercised prior to the completion of the Offers.

Given the SPP Offer is underwritten up to the \$2 million SPP Cap, a table is provided below reflecting the potential holding of the Underwriters (and sub-underwriter or nominees appointed by the Underwriters) subject to the take-up of the Eligible Shareholders.

The below table assumes the New Shares under the Placement have been issued and that no existing Options or New Options are exercised.

	SPP is 100% subscribed to the \$2.0m cap	SPP is 50% subscribed to the \$2.0m cap	SPP is 25% subscribed to the \$2.0m cap
Underwriters	0%	2.6%	1.3%

### 3.7 Potential dilutive effect of New Options

The table below sets out the potential dilutive effect on Shareholders if Shares are issued on the exercise of all existing Options and all proposed New Options following completion of the SPP and the Placement Option Offer.

The below table assumes:

- (a) 100% subscriptions under the SPP to the \$2 million SPP Cap given the SPP is underwritten to the \$2 million SPP Cap; and
- (b) the Shares under the Placement have been issued.

Event	Number of Shares pre-issue	Shares issued on Option exercise	Number of Shares post-issue	Dilution (rounded)
100% subscription under the SPP – to the \$2 million SPP Cap				
100% issue of Shares under the Placement				
Exercise of existing unlisted Options	158,238,050	5,999,952	164,238,002	3.7%
Exercise of New Options issued under the Placement Options Offer	158,238,050	9,687,500	167,925,550	5.8%
Exercise of New Options issued under the SPP Offer	158,238,050	4,166,667	162,404,717	2.6%

Note: The interests shown in the table above assume that:

1. the existing Options do not lapse prior to exercise or conversion; and
2. other Shares are not issued prior to exercise of existing Options or New Options.

### 3.8 Pro-forma balance sheet

Set out below is the:

- (a) audited balance sheet of the Company as at 30 June 2019 and reviewed balance sheet as at 31 December 2019; and
- (b) unaudited pro forma balance sheet of the Company as at 31 December 2019 incorporating the effect of the Offers and the Placement, assuming full participation in the Placement and 100% subscription under the SPP, given the SPP is fully underwritten.

The unaudited pro forma balance sheet has been derived from the reviewed financial statements of the Company, for the six months ended 31 December 2019, and adjusted to



reflect pro forma assets and liabilities of the Company as if completion of the Offers and Placement had occurred by 31 December 2019, and also for material adjustments noted below.

The pro-forma information is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma balance sheet has been adjusted for the following material movements in the assets and liabilities of the Company between 31 December 2019 and the Prospectus Date:

- (a) a Placement to issue 19,010,416 Shares at \$0.24 each, to Placement Subscribers to raise \$4,562,500 (before costs);
- (b) a Placement to issue 364,584 Shares at \$0.24 each, to Placement Subscribers that are related parties (and subject to shareholder approval) to raise \$87,500 (before costs);
- (c) at maximum subscription under the SPP for the issue of 8,333,333 New Shares at \$0.24 each to raise up to \$2 million (before costs) pursuant to this Prospectus; and
- (d) costs of the Placement and Offers will be approximately \$462,000.

The Company will issue 9,687,500 New Options to the Placement Subscribers and 4,166,667 New Options to SPP Subscribers pursuant to the Prospectus at an exercise price of \$0.36 with an expiry date of the later of 30 June 2021 or 12 months post issue, assuming full participation in the Placement and 100% subscription under the SPP. Total proceeds of \$4,987,000 from the exercise of these options have not been reflected in the pro forma Balance Sheet. In addition, an allowance has not been made for expenditure incurred in the normal course of business from 31 December 2019 to the Prospectus Date.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (\$AU)

	30 JUNE 2019 (AUDITED)	31 DECEMBER 2019 (REVIEWED)
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	2,998,563	6,172,960
Trade and other receivables	79,068	58,411
Other current assets	1,363,614	923,190
<b>Total Current Assets</b>	<b>4,441,245</b>	<b>7,154,561</b>
Non-Current Assets		
Property, plant and equipment	699,398	1,024,842
Intangible assets	3,744,100	3,865,275
Other non-current assets	74,732	184,818
<b>Total non-current Assets</b>	<b>4,518,230</b>	<b>5,074,935</b>
<b>TOTAL ASSETS</b>	<b>8,959,475</b>	<b>12,229,496</b>
<b>LIABILITIES</b>		
Current Liabilities		
Trade and other payables	1,391,918	881,546
Other current liabilities	135,016	405,885
<b>Total Current Liabilities</b>	<b>1,526,934</b>	<b>1,287,431</b>
Non-current liabilities	75,936	-
<b>TOTAL LIABILITIES</b>	<b>1,602,870</b>	<b>1,287,431</b>
<b>NET ASSETS</b>	<b>7,356,605</b>	<b>10,942,065</b>
<b>EQUITY</b>		
Share capital	29,640,394	38,253,373
Share based payment reserve	500,212	641,337
Translation reserve	(112,252)	(172,241)
Accumulated Losses	(22,671,750)	(27,780,404)
<b>TOTAL EQUITY</b>	<b>7,356,605</b>	<b>10,942,065</b>

## PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 DECEMBER 2019 (REVIEWED)	PROFORMA ADJUSTMENTS CAPITAL RAISING	PRO FORMA 31 DECEMBER 2019
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents	6,172,960	6,171,830	12,344,790
Trade and other receivables	58,411	-	58,411
Other current assets	923,190	-	923,190
<b>Total Current Assets</b>	<b>7,154,561</b>	<b>6,171,830</b>	<b>13,326,391</b>
Non-Current Assets			
Property, plant and equipment	1,024,842	-	1,024,842
Intangible assets	3,865,275	-	3,865,275
Other non-current assets	184,818	-	184,818
<b>Total Non-Current Assets</b>	<b>5,074,935</b>	<b>-</b>	<b>5,074,935</b>
<b>TOTAL ASSETS</b>	<b>12,229,496</b>	<b>6,171,830</b>	<b>18,401,326</b>
<b>LIABILITIES</b>			
Current Liabilities			
Trade and other payables	881,546	-	881,546
Other current liabilities	405,885	-	405,885
<b>Total Current Liabilities</b>	<b>1,287,431</b>	<b>-</b>	<b>1,287,431</b>
Non-current Liabilities	-	-	-
<b>TOTAL LIABILITIES</b>	<b>1,287,431</b>	<b>-</b>	<b>1,287,431</b>
<b>NET ASSETS</b>	<b>10,942,065</b>	<b>6,171,830</b>	<b>17,113,895</b>
<b>EQUITY</b>			
Share capital	38,253,373	6,171,830	44,425,203
Share based payment reserve	641,337	-	641,337
Translation reserve	(172,241)		(172,241)
Accumulated Losses	(27,780,404)		(27,780,404)
<b>TOTAL EQUITY</b>	<b>10,942,065</b>	<b>6,171,830</b>	<b>17,113,895</b>

## 4 Rights and liabilities attaching to Securities

### 4.1 Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares, being the underlying securities of the Options to be issued under the SPP Offer and the Placement Options Offer to be issued pursuant to this Prospectus.

This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. You should seek independent legal advice to obtain such a statement.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available on the Company's website and for inspection at the Company's registered office during normal business hours.

<b>Voting:</b>	<p>At a meeting of shareholders, except where otherwise provided by the Corporations Act or the Constitution or to comply with governance recommendations of the ASX Corporate Governance Council in respect of when a poll is to be demanded, resolutions are to be decided by a show of hands. However, the Chairman may request a poll immediately after a show of hands, and, subject to conditions, Members may request a poll.</p> <p>Unless a poll is demanded, the Chairman's declaration of whether the resolution has been carried or not, and an entry into the minutes, is conclusive evidence of the fact.</p> <p>Joint holders of a share are both entitled to attend a meeting, but in the event that both joint holders attend a meeting, only the senior of such persons will be entitled to vote.</p> <p>A shareholder is not entitled to vote at a general meeting unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid.</p> <p>Where a poll is demanded, a shareholder holding partly paid shares shall be entitled to a fraction of a vote equivalent to the proportion of the amount paid on the share.</p> <p>Every vote at a meeting is valid, unless disallowed. Objections can be made to the Chairman at the meeting in question relating to the resolution.</p> <p>The Chairman has a casting vote.</p> <p>The Board may determine whether members are entitled to direct votes (i.e. delivered by post, fax or electronic means approved by the Board) and prescribe regulations they consider appropriate on direct voting.</p>
<b>Proxy:</b>	<p>An instrument appointing a proxy or any power of attorney is to be received by the company no less than 48 hours before the meeting is held. Any instrument deposited outside the timeframe is invalid.</p>
<b>General meetings and notices:</b>	<p>The Company shall call an annual general meeting by a directors' resolution, or otherwise in accordance with the Corporations Act.</p> <p>All shareholders, directors and auditors must receive notice of, and are entitled to attend meetings. Ordinary shareholders are entitled to vote at meetings in the ordinary course, and preference shareholders can only vote on the limited issues outlined in the Constitution.</p> <p>The quorum for a meeting of Shareholders is two Shareholders present and entitled to vote.</p>
<b>Dividends and share plans:</b>	<p>Subject to the Corporations Act and the Constitution, the Directors may pay to Shareholders any final or interim dividends as they see justified by the financial position of the Company.</p> <p>Payment of dividends may be by cheque or electronic funds transfer, or as otherwise determined by the Directors.</p> <p>Any unclaimed dividends may be invested and used by Directors for the benefit of the Company until claimed or until required to be dealt with under the law.</p>

	The Board may adopt a Dividend reinvestment plan at its discretion whereby ordinary shareholders may forego their right to share in Dividends and instead receive an issue of fully paid shares in the Company.
<b>Issue of Shares:</b>	<p>Subject to the Corporations Act, the Listing Rules and the Constitution, the Directors may issue and cancel shares, grant options over unissued shares, and determine the terms on which shares or options are granted, and the rights or restrictions attaching to those shares or options.</p> <p>Subject to the Corporations Act and the Listing Rules, the Company may issue preference shares which may be, or at the option of the Company or holder be, liable to be redeemed or converted into ordinary shares.</p>
<b>Transfer of Shares:</b>	Generally, all shares are freely transferrable subject to the procedural requirements of the Constitution and to the provisions of the Listing Rules. If permitted by the Listing Rules or the Corporations Act, the Directors may decline to register an instrument of transfer received.
<b>Shareholder liability:</b>	<p>As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.</p> <p>The Company may, in the future, issue Shares that are partly paid and issue a call on those Shares. Any such obligations will be outlined at the time the Shares are offered.</p>
<b>Proportional takeover provisions:</b>	The registration of a transfer of Shares which would give effect to a proportional takeover bid is prohibited unless and until an approving resolution approving the proportional takeover bid is passed. The proportional takeover provisions will cease to have effect on the third anniversary of the adoption of the Constitution, unless renewed.
<b>Winding up:</b>	<p>If the Company is wound up and assets remain after the payment of debts and liabilities of the Company and the costs of winding up, these assets must be divided among the members in proportion to the number of shares held by them.</p> <p>In the case of partly paid shares, the amount of any excess payable to the holder of a partly paid share is to be reduced by the amount unpaid on the share as at the date of the distribution. If such a reduction would reduce the distribution to the holder of a partly paid share to a negative amount, the holder must contribute this amount to the Company.</p>
<b>Variation of rights:</b>	If share capital is divided into different classes of Shares, preference capital (other than redeemable preference capital) shall not be repaid. Further, the rights attaching to any class cannot be varied without the written consent of the holders of 75% of the issued Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Shares of that class.
<b>Directors – appointment, retirement and removal:</b>	<p>The Company may by resolution increase or decrease the number of directors, with the minimum number of directors being three (3) and the maximum being nine (12), unless resolved otherwise in general meeting.</p> <p>A director or alternate director need not be a shareholder of the Company.</p> <p>Directors may appoint another person qualified to be a director to either fill a casual vacancy or as an addition to the Board. A director who is so appointed only holds office until the next annual general meeting.</p> <p>No director who is not a managing director may hold office without re-election in beyond the third annual general meeting following their appointment without submitting to re-election.</p> <p>At each annual general meeting, the Company must hold an election of directors, whereby any director appointed within the last year as an additional year, or directors which have held office for three years must retire. If there are no such directors, and there is no vacancy on the board, the director who has been longest in office must retire, but as between persons who became Directors on the same day will (unless they otherwise agree between themselves) be determined by ballot.</p> <p>The retiring Directors will be eligible for re-election.</p>
<b>Decisions of Directors:</b>	The quorum for a meeting of Directors is two (2) unless decided otherwise by the Directors.

	Questions arising at any meeting of Directors shall be decided by a majority of votes. A determination of a majority of Directors is for all purposes taken to be a determination of the Directors. The Chairman of the meeting, when more than two directors including the Chairman are present, has a second casting vote.
<b>Alteration to the constitution:</b>	The Constitution can only be amended by a special resolution passed by at least 75% of Shareholders present and voting at a general meeting or by a court order pursuant to the Corporations Act.

#### 4.2 Terms of New Options to be issued under the SPP Offer and Placement Options Offer

- (a) **Entitlement:** Subject to and conditional upon any adjustment in accordance with these conditions, the Option entitles the holder to subscribe for one (1) Share upon payment of the Exercise Price.
- (b) **Exercise Price:** The Exercise Price for the Option is A\$0.36 per Share.
- (c) **Expiry Date:** The Option will expire at:
  - (i) 5:00pm on 30 June 2021 (Sydney time), in the event the Options are issued before 30 June 2020; or
  - (ii) 5:00pm (Sydney time) on the day that is 12 months after the date of issue, in the event the Options are issued after 30 June 2020.

An Option not exercised before that expiry date will automatically lapse on that Expiry Date.
- (d) **Exercise period:** The Option is exercisable at any time from the date of its issue until 5:00pm on the Expiry Date (Sydney time).
- (e) **Exercise notice:** The Option may be exercised during the exercise period specified in these conditions by forwarding to the Company the Exercise Notice together with payment (in cleared funds) of the Exercise Price for the number of Ordinary Shares to which the Exercise Notice relates.
- (f) **Partial exercise:** The Option may be exercised in full or in parcels of at least 3,000 Options (or such lesser amount in the event the holding of Options by an Optionholder is less than 3,000 Options).
- (g) **Timing of issue of Shares on exercise:** Within five (5) business days after the Exercise Notice is received, the Company will:
  - (i) allot and issue the number of Shares as specified in the Exercise Notice and for which the Exercise Price has been received by the Company in cleared funds, subject to and in accordance with the terms and conditions set out in the Company's Prospectus dated 5 May 2020; and
  - (ii) apply for official quotation on the ASX of Shares issued pursuant to the exercise of the Option.
- (h) **Participation in new issues:** The Option does not confer any right on the Optionholder to participate in a new issue of securities without exercising the Option. An Optionholder will be given at least five (5) business days prior to the Record Date for the new issue of securities, to exercise its Option.
- (i) **Shares issued on exercise:** Shares issued as a result of the exercise of the Option will rank pari passu in all respects with all other Shares then on issue.
- (j) **Dividend:** The Option does not confer any rights to dividends. Shares issued upon the exercise of the Option will only carry an entitlement to receive a dividend if they were issued on or before the Record Date for the dividend.

- (k) **Adjustment for pro rata issue:** In the event of a pro rata issue of Shares by the Company (except a bonus issue), the Exercise Price for the Option will be adjusted in accordance with ASX Listing Rule 6.22.2.
- (l) **Adjustment for bonus issue:** If there is a bonus issue to Shareholders, the number of Shares over which the Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the Record Date for the bonus issue.
- (m) **Adjustment for reorganisation of capital:** If the Company reorganises its capital, the rights of the Optionholder (and the Exercise Price) will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital, at the time of the reorganisation.
- (n) **Not quoted:** The Company will not apply for quotation of the Option on the ASX.
- (o) **Transferability:** The Option is only transferable up until it lapses, with the Company's prior written consent.

## 5 Risk factors

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### 5.1 Introduction

The Securities offered under this Prospectus are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 5.2 Company specific risks

#### (a) Product liability and insurance

It is possible that the Company may face contractual claims, statutory claims, or other types of claims from customers or suppliers in the course of carrying out its business. Additionally, the Company is exposed to potential product liability risks that are inherent in the manufacturing of medical devices. Consumers, healthcare providers or persons selling products based on the Company's technology may be able to bring claims against the Company based on the use of such products, including in clinical and marketing trials, and the sale of products based on the Company's technology.

As the business of the Company exposes the Company to potential product liability and professional indemnity risks, which are inherent in the process development and manufacturing of medical devices. As such, it will be necessary for the Company to secure certain levels of insurance. There can be no assurance that any future necessary insurance cover will be available to the Company at an acceptable cost, if at all, or that, in the event of any claim, the level of insurance carried by the Company now or in the future will be adequate or that a product liability or other claim would not have a material adverse effect on the Company's profitability and financial condition.

#### (b) Intellectual property

The Company relies on its intellectual property in the operation and success of its business. The Company's keys intellectual property includes Optima and ExVent. As such, there is a risk that the Company may fail to protect its intellectual property rights for a number of reasons and that competitors may infringe on its intellectual property rights, especially following the success rollout of Lab-in-Lab. As the Company continues to grow both relation to its products and the geographical availability of its products, there is a risk that these actions may not prevent the misappropriation of its intellectual property or deter independent development of similar products by others.

In the event that Company fails to protect its intellectual property rights, adequately, competitors may gain access to its technology which would in turn harm its business, financial performance and operations.

#### (c) Competition regulation and loss of reputation

The industry in which the Company operates is intensely competitive and subject to rapid and significant change. A number of companies based both in Australia and overseas, may be pursuing the development of products that target the same markets that the Company is targeting. The Company is at risk of one or more of its competitors, or a new entrant to the market and will increase its competitive position through one or more of aggressive marketing campaigns, product innovation, price discounting, acquisitions or through advances in technology. In such cases, the



Company may compete less effectively against its competitors and its business and financial performance and operations could be adversely affected.

The Company's products may compete with existing products that are already available to customers. The Company may face competition from parties who have substantially greater resources than the Company.

(d) Risk of new regulations and changes to current regulation

The Company's products and research and development are subject to varying degrees of regulation by various legislation and a number of government authorities in Australia and overseas including, but not limited to, the Food and Drug Administration and the European Competence Authorities. As such, there is a risk that the laws and regulations that govern the Company's products may change which may create additional compliance requirements for the Company which may result in additional costs or delays for the Company in marketing its products.

(e) Risk of delay and continuity of operations – including from recent COVID-19 events

The Company may experience delay in achieving a number of critical milestones, including manufacturing, supply chain issues, delays in receiving supplies from distributors (such as connector bands for Optima (EMA) that are purchased from distributors in Australia and sent to the United States), completion of clinical trials (including such approvals for the ExVent Clinical Study), obtaining regulatory clearances, obtaining reimbursement approvals, securing commercial partners and product launch and sales. Any material delays may impact adversely upon the Company, including the timing of any revenues under milestones or sales payments. The Company may also experience business continuity problems arising from extreme events. This is particularly relevant given the recent COVID-19 pandemic. As with most businesses, the Company is reliant on a number of systems in its daily operations. An inability to operate such systems would impact the business.

(f) Future capital requirements

The Company may be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise the capital necessary when it is required, or where the capital is available, whether the terms will be satisfactory to the Company. If the Company is unsuccessful in obtaining funds when they are required, it may need to delay or scale down its operations.

(g) Dependence of key personnel

The Company's success depends, to a significant extent, on its ability to attract and retain suitably qualified key personnel. The loss of key management personnel, or any delay in their replacement could have a significant adverse effect on the management of the Company, its financial performance and future prospects.

(h) Failure to retain existing customers and attract new business

The Company's business is dependent on its ability to retain its existing customers and to attract new customers. As with any business, there is a risk that existing customers of the Company may terminate their contracts without cause or on short notice and without financial penalty or do not renew their contracts when the initial term comes to an end.

Additionally, the Company recognises that it has a limited number of sales representative in each region that it operates. As such, the Company is at risk of not being able to extend its customer base to its full potential.

The above risks may have a negative impact on the Company's successful implementation of its business strategy, having an adverse impact on its business, financial performance, and operations.

### 5.3 General risks

(a) Market price

The market price of New Shares may rise or fall between the date of the SPP Offer and the issue date of the New Shares and New Options under the SPP. The effect of this is that the issue price you pay for the New Shares may exceed the market price of Shares on the issue date.

(b) Economic risk

General economic conditions in Australia and internationally, movements in interest, inflation and currency exchange rates, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws and changes to dividend imputation in Australia may have an adverse effect on the Company's production activities, as well as on its ability to fund those activities.

(c) Market conditions

The market price of New Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(d) Security investments

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. This risk is particularly relevant given the recent COVID-19 pandemic. These factors may materially affect the market price of the New Securities regardless of the Company's performance.

(e) Liquidity risk

There may be relatively few buyers or sellers of securities on ASX at any given time. This may affect the volatility of the market price of the securities and the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Offer.

### 5.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

### 5.5 Other

Other risk factors include those normally found in conducting business, including litigation through breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel and other matters that may interfere with the Company's business or trade.

## 6 Continuous disclosure documents

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### 6.1 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms, a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the twelve (12) months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with ASIC;
  - (ii) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in item (a)(i) above and before the lodgement of this Prospectus with ASIC; and
  - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in item (a)(i) above and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company’s latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of announcement
01/05/2020	Appendix 3B
01/05/2020	Oventus Investor Presentation
01/05/2020	Oventus \$4.65m Share Placement and \$2m SPP
28/04/2020	Appendix 4C - quarterly
28/04/2020	Trading Halt
27/04/2020	COVID-19 environment drives demand for Oventus devices
27/03/2020	Virtual Investor Conference Presentation
25/03/2020	Change of Director's Interest Notice
25/03/2020	Change of Director's Interest Notice
18/03/2020	Strategic response to COVID-19
06/03/2020	Investor Presentation Update
06/03/2020	Investor Update
26/02/2020	Clarification Announcement - Aeroflow Agreement
26/02/2020	Half Yearly Report and Accounts
26/02/2020	Initial Director's Interest Notice
25/02/2020	Specialist healthcare investor Jake Nunn joins Oventus Board
24/02/2020	Aeroflow agreement to drive uptake of O2Vent technology
14/02/2020	US Medicare Reimbursement Approval Granted for O2Vent Optima
13/02/2020	3 US Lab-in-Lab sites launched and pipeline update
14/01/2020	Appendix 4C - quarterly
17/12/2019	Initial Director's Interest Notice
16/12/2019	Final Director's Interest Notice - Appendix 3Z
16/12/2019	Appointment of NED with US and Global Experience
10/12/2019	Change of Director's Interest Notice
10/12/2019	Change of Director's Interest Notice
10/12/2019	Change of Director's Interest Notice
10/12/2019	Change of Director's Interest Notice
10/12/2019	Change of Director's Interest Notice
10/12/2019	Appendix 3B
22/11/2019	Results of Meeting
22/11/2019	AGM Presentation
22/11/2019	Chairman's Address to Shareholders
18/11/2019	Oventus signs additional US lab in lab contracts
18/11/2019	Investor Presentation
15/11/2019	Oventus November Newsletter
06/11/2019	R&D Tax Rebate received
01/11/2019	Oventus AGM dial in details
30/10/2019	Appendix 4C and Quarterly Business Review
23/10/2019	Appendix 4G and Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours. The announcements are also available through the Company's website:  
<https://investors.o2vent.com/>.

## 7 Additional information

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### 7.1 General Meeting

The Company is proposing to convene its General Meeting on Friday, 12 June 2020 at which Shareholder approval will be sought for the issue of, amongst other things:

- (a) The Placement:
  - (i) The subsequent approval of the New Shares under the Placement Offer under ASX Listing Rule 7.4;
  - (ii) The issue of New Options under the Placement Option Offer under ASX Listing Rule 7.1; and
  - (iii) The issue of New Options and New Shares under the Placement to related parties under ASX Listing Rule 10.11;
- (b) The SPP:
  - (i) The issue of the New Options under the SPP Offer under ASX Listing Rule 7.1 (to Eligible Shareholders);
  - (ii) The issue of the New Shares and the New Options under the SPP Offer under ASX Listing Rule 7.1 (to the Underwriters and any sub-underwriters or other persons nominated by them); and
  - (iii) The issue of New Options under the SPP Offer to related parties under ASX Listing Rule 10.11.

In the event the issue of New Options under the Placement Option Offer under ASX Listing Rule 7.1 is not approved at the General Meeting, the Company will seek to issue the New Options to Placement Subscribers once the Company has sufficient capacity.

The Company also intends to seek Shareholder approval in relation to the New Shares already issued under the Placement as well as New Shares offered under the SPP Offer to retain the flexibility to issue further Securities under the Company's placement capacity in the future.

However, the results of these resolutions will not impact the issues of New Securities under the Placement or the SPP. A copy of the Notice of Meeting will be made available at the Company's website at <https://investors.o2vent.com/>.

### 7.2 Material contracts

#### Underwriting Agreement

The Joint Lead Managers have agreed to manage and underwrite the SPP Offer pursuant to the terms of the underwriting agreement signed by the Joint Lead Managers and the Company on the Prospectus Date (**Underwriting Agreement**).

The following are the key terms of the Underwriting Agreement:

#### (a) **Fees, costs and expenses**

Subject to the terms of the Underwriting Agreement, the Company has agreed to pay the Joint Lead Managers a management and selling fee equal to 5% of the gross Placement proceeds. This fee is comprised of a:

- (i) management fee of 2.5% of the gross Placement proceeds; and
- (ii) selling fee of 2.5% of the gross Placement proceeds.

In relation to the SPP Offer, subject to the terms of Underwriting Agreement, the Company has agreed to pay the Joint Lead Managers an underwriting fee equal to 5.0% of the underwritten amount, being \$2 million.

In addition to the fees described above, the Company has agreed to pay or reimburse the Joint Lead Managers for the reasonable costs and expenses incurred by the Joint Lead Managers in respect of the Underwriting Agreement and Offer.

(b) **Shortfall**

Subject to certain notice and review requirements to be performed by the Company, the Joint Lead Managers are required to apply and make payment for any shares under the SPP Offer that did not receive valid applications (**SPP Offer Shortfall Shares**).

(c) **Termination Events**

The Joint Lead Managers may at any time terminate the Underwriting Agreement, without cost or liability, by notice to the Company if any of the following events occurs before 4:00pm on the date for settlement of the SPP Offer:

- (i) **(disclosures in Offer documents)** a statement contained in this Prospectus is misleading or deceptive (including by omission) or is likely to mislead or deceive, or becomes misleading or deceptive, or any forecasts, expressions of opinion, intention or expectation expressed in this Prospectus is not based on reasonable assumptions;
- (ii) **(supplementary or replacement prospectus)** the Joint Lead Managers reasonably form the view that a supplementary prospectus must be lodged and the Company fails to lodge a supplementary or replacement prospectus in the form and, with the content, and within the time, reasonably required by the Joint Lead Managers;
- (iii) **(market fall)** the S&P/ASX 200 Index falls by 10% or more below the level of that index on the business day immediately preceding the date of the Underwriting Agreement at the close of trading on any day in the period between (and including) the date of the Underwriting Agreement and the business day immediately prior to the date for settlement of the SPP Offer;
- (iv) **(listing)** the ASX announces that the Company will be removed from the official list, or that any shares will be delisted or suspended from quotation by the ASX;
- (v) **(notifications)** ASIC issues a stop order or commences an investigation or hearing, or a person applies for a court order (except where the application does not become public and is dismissed or withdrawn at least 1 business day before the date for settlement of the SPP Offer), in relation to the Offer;
- (vi) **(withdrawal)** the Company withdraws this Prospectus, any supplementary or replacement prospectus or the Offer;
- (vii) **(unable to issue Offer Shares or Options)** the Company is or becomes unable, for any reason, to issue the Offer Shares or Options on the allotment date;
- (viii) **(notice regarding deficiencies in the prospectus)** a director, proposed director named in the Prospectus (with their consent) or a person named in the Prospectus (with their consent as having made a statement) gives notice during the application period that they have become aware that, a material statement in the Prospectus is misleading or deceptive, there is material omission from the Prospectus or that a material new circumstance has arisen since the date of the Prospectus which requires disclosure;

- (ix) **(insolvency)** an insolvency event occurs with respect to the Company or any other material member of the Company Group;
- (x) **(Certificate not provided)** the Company does not provide a certificate setting out, among other things, that the Company has complied with its obligations under the Underwriting Agreement and statute or otherwise and the representations and warranties remain true and correct (**Certificate**), as and when required by the Underwriting Agreement;
- (xi) **(Certificate incorrect)** a statement in any Certificate is false, misleading, inaccurate or untrue or incorrect;
- (xii) **(regulatory action)** there is an application to a government agency for an order, declaration, or other remedy in connection to the Offer, or a government agency commences any investigation (or announces its intention to do so), in connection with the Offer;
- (xiii) **(offences by Directors)** other than any proceedings on foot prior to the date of the Underwriting Agreement or previously advised to the Joint Lead Managers, a Director of the Company is charged with an indictable offence, is disqualified from managing a corporation, or a government agency commences any public action against a Director or announces its intention to do so;
- (xiv) **(capital structure)** the Company alters its capital structure or constitution without the prior written consent of the Joint Lead Managers;
- (xv) **(ASX approval)** unconditional approval (or conditional approval whereby there would be a material adverse effect on the success of the Offer) by the ASX for the official quotation of the New Shares for the Placement by the Placement settlement date, or the New Shares for the SPP Offer by the SPP Offer allotment date;
- (xvi) **(litigation)** legal proceedings are commenced or threatened against the Company, or a Joint Lead Manager becomes aware of an intention to commence such proceedings, which are not withdrawn, discontinued or terminated within 2 business days prior to the SPP Offer settlement date; and
- (xvii) **(material financing arrangements)** any Group Member breaches or defaults under any provision, undertaking, covenant or ratio of any material financing arrangement, or an event of default, potential event of default, or review event which gives a lender the right to accelerate or require payment of the debt occurs.

The Joint Lead Managers are also entitled to terminate on the occurrence of certain standard events if the Joint Lead Managers have reasonable grounds to believe that the event has or is likely to have a materially adverse effect on the success or outcome of the Offer, or the ability of the Joint Lead Managers to settle the Offer; or will, or is likely to, give rise to a liability of the Joint Lead Managers under, or a contravention by the Joint Lead Managers of, any applicable law. Such events include, amongst others:

- (i) the occurrence of an adverse change which is likely to give rise to an adverse impact in an amount equal to or greater than 10% of the assets, liabilities, revenues, operations or prospects of the Group's business for the six months from the date of the Underwriting Agreement compared to what the position would have been if not for the event;
- (ii) any material contracts of the Company being terminated, breached or varied without the Joint Lead Manager's consent or the material contracts become void, voidable, illegal or unenforceable;



- (iii) a suspension or material limitation in trading in securities generally, or disruption to existing financial markets, political or economic conditions in Australia, Japan, Hong Kong, Singapore, South Korea, China, the United Kingdom, the United States or Europe;
- (iv) a change in the senior management of the Company or Board of Directors occurs without the consent of the Joint Lead Managers; or
- (v) any public information, or information supplied by the Company to the Joint Lead Managers is or becomes misleading or deceptive;

In the event the Joint Lead Managers terminate their obligations under the Underwriting Agreement, the Joint Lead Managers will be immediately relieved of their obligations under the Underwriting Agreement, but the termination of their obligations under the Underwriting Agreement will not limit or prevent the exercise of any other rights or remedies which any of the parties may otherwise have under the Underwriting Agreement.

(d) **Conditions precedent**

The Underwriting Agreement contains a number of common conditions precedent that the Company must satisfy, such as:

- (i) the receipt by the Joint Lead Managers of the final, signed due diligence questionnaire prior to 9:30am on the date of the Company's ASX announcement;
- (ii) all necessary ASX waivers and ASIC modifications being obtained;
- (iii) the receipt by the Joint Lead Managers of the final, signed due diligence report before 9:30am on the date of lodgement of the Prospectus;
- (iv) the Company lodging the Prospectus;
- (v) the Company issuing the New Shares under the Placement;
- (vi) the Company releasing the Placement cleansing notice to the ASX by 12:00pm on the Placement settlement date, and releasing the SPP cleansing notice to the ASX before lodgement of the Prospectus;
- (vii) the Company receiving all relevant shareholder approvals before 8:00am on the SPP Offer Closing Date; and
- (viii) the ASX not indicating that it will not grant permission for quotation of the SPP Offer Shares before 8:00am on the SPP Offer settlement date.

(e) **Representations, warranties and undertakings**

The Underwriting Agreement contains certain standard representations, warranties and undertakings given by the Company to the Joint Lead Managers.

The representations and warranties given by the Company relate to matters such as the conduct of the Company, power and authorisations, information provided by Company, information in this Prospectus and compliance with laws and the ASX Listing Rules. The Company also provides additional representations and warranties in connection with the business and affairs of the Company, including in relation to historical financial performance, litigation, assets, compliance with laws and authorisations, financing arrangements, selling restrictions and eligibility for quotation and continued listing.

The Company's undertakings include that it will not, until 90 days after the completion of the Offer:

- (i) issue (or agree to issue) or indicate in any way that it may or will issue any Shares or securities without the prior written consent of the Joint Lead Managers. This undertaking is subject to certain exceptions, such as any issue made pursuant to the Offer, an employee share plan or a non-underwritten dividend reinvestment;
  - (ii) change how the Group carries on its business or dispose of any material part of its business or property except in the ordinary course of business;
  - (iii) alter the capital structure of the Company, amend its Constitution, or dispose of its business or property in whole or substantial part without the approval of the Joint Lead Managers; and
  - (iv) vary any term of a material contract in a material respect without the prior consent of the Joint Lead Managers.
- (f) **Indemnity**

Subject to certain exclusions relating to, among other things, fraud, wilful misconduct or negligence of any indemnified party, the Company agrees to keep the Joint Lead Managers and its representatives indemnified from losses suffered by them in connection with the Offer and the Underwriting Agreement.

### 7.3 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings other than as set out below and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### 7.4 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX. The New Options offered under this Prospectus are intended to be unlisted.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and most recent dates of those sales were:

Highest	\$0.60
Lowest	\$0.18
Last	\$0.285

### 7.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two (2) years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or

- (e) for services provided in connection with:
- (i) the formation or promotion of the Company; or
  - (ii) the Offers.

#### Security holdings

The interest of each of the Directors in the securities of the Company as at the Prospectus Date, is set out in the table below.

Director	Shares held at the Prospectus Date	New Shares proposed to be taken up under the Placement and under the SPP	Options	New Options proposed to be taken up under the Placement and under the SPP
Dr Melvyn John Bridges	2,959,482	83,333 New Shares under the SPP 104,167 New Shares under the Placement (subject to Shareholder approval)	200,732 at \$0.578 per share expiring 23 February 2021 50,000 at \$0.4228 per share expiring 8 December 2024	41,666 New Options under the SPP (subject to Shareholder approval) 52,083 New Options under the Placement (subject to Shareholder approval)
Dr Christopher Patrick Hart	26,542,513	Nil	401,464 at \$0.578 per share expiring 23 February 2021 500,000 at \$0.4228 per share expiring 8 December 2024 70,000 at \$1.0628 per share expiring 8 December 2024	Nil
Mr Sharad Joshi	201,139	Nil	150,000 at \$0.4228 per share expiring 8 December 2024	Nil
Ms Sue MacLeman	52,155	20,833 New Shares under the SPP	200,732 at \$0.578 per share expiring 23 February 2021 50,000 at \$0.4228 per share expiring 8 December 2024	10,416 New Options under the SPP (subject to Shareholder approval)
Mr Paul Anthony Molloy	-	104,167 New Shares under the Placement (subject to Shareholder approval)		52,083 New Options under the Placement (subject to Shareholder approval)
Mr Jason Raleigh Nunn	-	156,250 New Shares under the Placement (subject to Shareholder approval)		78,125 New Options under the Placement (subject to Shareholder approval)

## Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current amount has been set at an amount not to exceed \$400,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options and/or performance rights, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and Non-Executive Directors.

Director	Year ending 30 June 2019 Salary/Director fees (AUD)	Year ending 30 June 2018 Salary/Director fees (AUD)	Year ending 30 June 2017 Salary/Director fees (AUD)
Dr Melvyn John Bridges	\$73,029	\$73,059	\$74,583
Dr Christopher Patrick Hart	\$398,988	\$301,370	\$300,070
Mr Sharad Joshi	\$41,241	-	-
Ms Sue MacLeman	\$50,228	\$50,228	\$55,228
Mr Paul Anthony Molloy	-	-	-
Mr Jason Raleigh Nunn	-	-	-

### 7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or

- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (d) the formation or promotion of the Company; or
- (e) the Offers.

Thomson Geer has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Thomson Geer \$40,000 (excluding GST and disbursements) for these services.

Bell Potter Securities Limited (ACN 006 390 772) and Canaccord Genuity (Australia) Limited (ACN 075 071 466) have acted as the Joint Lead Managers to the Placement and Underwriters to the SPP. The Company will pay the amount detailed in Section 7.2 to the Joint Lead Managers.

## 7.7 Consents

Each of the parties referred to in the table below:

- (a) has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in the Prospectus in the form and context in which it is named;
- (b) has not, and its affiliates, officers and employees have not, made any statement in the Prospectus or any statement on which a statement made in the Prospectus is based other than those referred to in this Section 7.7;
- (c) does not cause, permit or authorise the issue or lodgement, submission, dispatch or provision of the Prospectus;
- (d) has not authorised or caused the issue of the Prospectus, and makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained in the Prospectus; and
- (e) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Party name	Named as
Canaccord Genuity (Australia) Limited	Joint Lead Manager and Underwriter
Bell Potter Securities Limited	Joint Lead Manager and Underwriter
Thomson Geer	Solicitor to the Company
Computershare Investor Services Pty Limited	Share Registry

## 7.8 Expenses of the SPP Offer and the Placement

In the event that all SPP Offers are accepted, the total expenses of the SPP Offer and the Placement are estimated to be approximately \$462,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

Expense type	\$
ASX fees	20,470
Underwriting and Lead Manager fees	362,500
Legal fees	40,000
EGM and incidental fees	55,200

<b>Total</b>	<b>478,170</b>
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## **7.9 Electronic prospectus**

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on 1300 533 159 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at <https://investors.o2vent.com/>. The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

## **7.10 Financial forecasts**

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

## **7.11 CHESS and Issuer Sponsorship**

The Company will not be issuing share or option certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation. Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

## **7.12 Privacy Act**

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration. The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry. You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus. Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act, the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

## 8 Directors' authorisation

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This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.

A handwritten signature in black ink, appearing to read 'm j Bridges'.

Mel Bridges  
Chairman

## 9 Glossary

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**A\$ or \$** means Australian dollars.

**AEST** means Australian Eastern Standard Time.

**Applicant** means a person who applies for New Securities under and in accordance with this Prospectus.

**Application** means a valid application for New Securities offered under this Prospectus.

**Application Form** means the application forms that accompany this Prospectus, being the SPP Offer Application Form and the Placement Options Offer Application Form, or any one of those applications forms as the case may be.

**Application Monies** means money received from an Applicant in respect of an Application.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) trading as the 'Australian Securities Exchange'.

**ASX Settlement** means ASX Settlement Pty Limited (ACN 008 504 532). ASX Settlement Rules means the settlement rules of ASX Settlement.

**Board** means the board of Directors of the Company.

**Business Day** means has the meaning given to that term in the Listing Rules.

**CHESS** means Clearing House Electronic Sub-register System operated by ASX Settlement.

**CHESS Statement** or Holding Statement means a statement of shares registered in a CHESS account.

**Closing Date** means the closing date of the Offers, being 5:00pm AEST on Monday, 15 June 2020 for the SPP Offer and Placement Options Offer.

**Company** or Oventus means Oventus Medical Limited (ACN 608 393 282).

**Constitution** means the constitution of the Company.

**Corporations Act** means the *Corporations Act 2001 (Cth)*.

**Company Secretary** means the company secretary of the Company.

**Custodian** means a custodian, trustee or nominee holder of Shares within the meaning of "custodian" in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.

**Director** means a director of the Company as at the Prospectus Date.

**Eligible Shareholder** means a Shareholder who is registered as the holder of Shares on the Record Date and is resident in Australia or New Zealand.

**Eligible Shortfall Participants** has the meaning given to that term in the letter to Shareholders at the beginning of this Prospectus.

**Executive Director** means an executive Director of the Company.

**Exercise Notice** means a duly completed notice of exercise of Options and application for Shares executed by the Option holder specifying the number of Options exercised.

**Exercise Price** has the meaning given to it in the Option terms in Section 4.2.

**Expiry Date** has the meaning given to it in the Option terms in Section 4.2.



**General Meeting** means the Company's general meeting of Shareholders convened for Friday, 12 June 2020.

**GST** means Goods and services tax levied under the *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*.

**Joint Lead Managers** means Bell Potter Securities Limited (ACN 006 390 772) and Canaccord Genuity (Australia) Limited (ACN 075 071 466) acting as the lead managers of the Offers.

**Lab-in-Lab** means the Company's business model which seeks to ensure that no matter the referral to the Company's products (i.e., medical or dental), all of the patient's care is handled in one single location.

**Listing Rules** means the official listing rules of ASX.

**New Option** means an Option exercisable at \$0.36 each on or before the later of 30 June 2021 or the day that is 12 months after the date of issue, and otherwise on the terms and conditions set out in Section 4.2, to be issued or offered under an Offer to this Prospectus.

**New Securities** means the Securities offered under this Prospectus, being any one or more of the following, as the context requires the:

- (a) New Securities under the SPP; and
- (b) New Options under the Placement Options Offer.

**New Share** means a new Share, which the Company may issue to investors under an Offer to this Prospectus.

**Non-Executive Director** means a non-executive Director of the Company.

**Notice of Meeting** means the Company's notice of general meeting for the General Meeting.

**Offer Period** means the period that an Offer is open, being the period between the Opening Date and the Closing Date.

**Offer Price** means \$0.24 per New Share.

**Offers** means the SPP Offer, the Placement Options Offer, or any one of those offers as the case may be.

**Official Quotation** means the admission of Securities to the official list of the ASX.

**Opening Date** means the opening date of the Offers, being Friday, 8 May 2020 or such other date as determined by the Directors.

**Option** means an option to subscribe for a Share.

**Optionholder** means a holder of an Option.

**Option Terms** means these terms of issue of Options detailed in Section 4.2.

**Placement** means has the meaning given to that term in Section 1.1.

**Placement Option Offer** means the offer of New Options in connection with the Placement.

**Placement Subscriber** means a person to whom New Shares were issued under the Placement on or around Thursday, 7 May 2020.

**Privacy Act** means the *Privacy Act 1988 (Cth)*.

**Prospectus** means this document, including the Application Forms. Prospectus Date means the date of this Prospectus, being the date that this Prospectus is lodged with ASIC.

**Record Date** means the date at which entitlement of Shareholders to participate in the SPP is determined, being 7.00pm (AEST) on Thursday, 30 April 2020.

**Related Bodies Corporate** means has the meaning given to that term in the Corporations Act.

**Section** means a section of this Prospectus.

**Securities** means has the meaning given to that term in section 761A of the Corporations Act and includes a Share and an Option.

**SPP or SPP Offer** means the offer to each Eligible Shareholder of up to 125,000 New Shares at an issue price of \$0.24 per Share totalling \$30,000, with one free-attaching New Option for every two New Shares subscribed. The SPP Offer is capped at \$2 million.

**SPP Cap** means \$2 million.

**SPP Shortfall** means the difference between:

- (a) the dollar value of valid applications from Eligible Shareholders under the SPP; and
- (b) the amount to be raised under the SPP being \$2 million.

**Share** means a fully paid ordinary share in the capital of the Company. Shareholder means the holder of a Share.

**Share Registry** means the Company's Share Registry, Computershare.

**Timetable** means the indicative timetable for the Offers as set out in the Key Offer Information on page 6.

**Underwriters** means Bell Potter Securities Limited (ACN 006 390 772) and Canaccord Genuity (Australia) Limited (ACN 075 071 466).

**Underwriting Agreement** means the Underwriting Agreement between the Company and the Underwriters dated 1 May 2020, a summary of which is set out in Section 7.2 of this Prospectus.

## 10 Corporate Directory

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### Directors

Dr Melvyn John Bridges  
 Dr Christopher Patrick Hart  
 Mr Sharad Joshi  
 Ms Sue MacLeman  
 Mr Paul Anthony Molloy  
 Mr Jason Raleigh Nunn

### Registered Office

Suite 1, 1 Swann Road  
 Indooroopilly Queensland 4068

### Company Secretary

Mr Stephen Denaro

### Solicitors

Thomson Geer  
 Level 28, Waterfront Place  
 1 Eagle Street Brisbane Queensland 4000

### Share registry\*

Computershare Investor Services Pty  
 Limited  
 Level 1, 200 Mary Street  
 Brisbane Queensland 4000

### Auditor\*

PKF Brisbane Audit  
 Level 6, 10 Eagle Street  
 Brisbane Queensland 4000

### Underwriters

Bell Potter Securities Limited  
 Level 29  
 101 Collins Street  
 Melbourne VIC 3000

Canaccord Genuity (Australia) Limited  
 Level 15, 333 Collins Street  
 Melbourne Victoria 3000

\*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.



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