

ASX Release

Oventus expands Lab in Lab commercial model with new Aeroflow and Regional Health Diagnostics distribution agreements**Key highlights:**

- **Aeroflow Healthcare Inc., premier provider of Durable Medical Equipment in the US, executes its first Oventus Lab in Lab subcontract with Regional Health Diagnostics**
- **Regional Health Diagnostics is a neurological testing and sleep disorders centre with 12 US-based sleep lab locations**
- **Subcontract will see Regional Health Diagnostics provide Oventus' Lab in Lab business model initially at two of its US-based sleep labs, with scope to expand to more locations**
- **Agreement is in line with Aeroflow's stated aggressive growth plans and follows announcement of Oventus-Aeroflow master contract in February 2020**
- **New agreements take total locations contracted under Oventus' Lab in Lab model to 51**

Brisbane, Australia 25 May 2020: Obstructive Sleep Apnoea (OSA) treatment innovator, Oventus Medical Ltd (ASX: OVN) is pleased to announce that fast growing US Durable Medical Equipment provider, Aeroflow Healthcare Inc. (Aeroflow) has executed its first Lab in Lab subcontract with US-based Regional Health Diagnostics.

In February 2020, Oventus announced that it had signed an agreement with Aeroflow. Under the contract, Aeroflow identified an initial 7 of its own locations at which to deploy Oventus' Lab in Lab model before launching nationally. In addition, Aeroflow signed a master agreement which would see it offer Oventus' technology under subcontracts with regional sleep groups nationwide.

Under the first subcontract, Regional Health Diagnostics, a neurological testing and sleep disorders centre which operates 12 sleep lab locations across Tennessee, Georgia, Alabama, North Carolina and South Carolina, will offer Lab in Lab services at two of its locations. Scope exists to expand the agreement once the first two sites are operational.

"We have been working with Aeroflow for 15 years as primary CPAP provider for our OSA patients," said Jeff Ragan, President and CEO of Regional Health Diagnostics. "There was no hesitation in broadening our offering to include the O2Vent Optima within a lab model across our sleep centres. Many patients need an alternative and now we can make sure they get that choice."

National Sales Director of Aeroflow, Eric Mongeau commented, "working alongside Regional Diagnostics, adding a new treatment modality for OSA made perfect sense. We work well

together and both companies are focused on improving the patient outcomes for those individuals that suffer from sleep apnoea.” Mr Mongeau went on to say, “this is only the beginning of my vision for Aeroflow; I plan to expand sleep services and the lab in lab model across the US!”

In line with other agreements, minimum quotas of 20 patients are to be treated with Oventus’ O2Vent Optima per site, per month once fully operational. The agreement has a term of three years, with an automatic three year renewal, unless a party elects not to renew no later than 180 days prior to the end of the three year period. These new agreements take the total number of locations contracted under Oventus’ Lab in Lab model to 51.

The first two Regional Health Diagnostics locations are based in the US state of Tennessee, which is currently in the process of lifting orders governing sheltering from COVID-19. Oventus and Aeroflow are working with the Regional Health Diagnostics sleep labs to commence identifying patients for treatment ahead of formal launch.

Dr Chris Hart, founder and CEO of Oventus commented, “We only signed our original agreement with Aeroflow in February, so it is very encouraging to welcome Regional Health Diagnostics as a subcontract to that master agreement so soon after, particularly given the macro environment. This announcement is important as it demonstrates Aeroflow’s commitment to introducing their customers to the Oventus technology as a new treatment option for patients with obstructive sleep apnoea.

“The funds raised through our recent institutional placement and ongoing share purchase plan will go toward deployment of the Lab in Lab model within this contract as well as our remaining pipeline of previously contracted sites.”

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For further information, please visit our website at www.o2vent.com or contact the individuals outlined below.

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About Oventus – see more at www.o2vent.com

Oventus is a Brisbane-based medical device company that is commercialising a unique treatment platform for sleep apnoea and snoring. The Company has a collaborative Sleep Physician/ Dental strategy that streamlines patients’ access to treatment. The Oventus lab model incorporates digital technology via intra oral scanning to achieve operational efficiencies, accuracy and ultimately patient outcomes.

Unlike other oral appliances, Oventus O2Vent devices manage the entire upper airway via a unique and patented built-in airway. O2Vent devices allow for airflow to the back of the mouth while maintaining an oral seal and stable jaw position, bypassing multiple obstructions from the nose, soft palate and tongue. The devices reduce airway collapsibility and manage mouth breathing while keeping the airway stable.

O2Vent devices are designed for any patient that is deemed appropriate for oral appliance therapy, but especially beneficial for the many people that suffer with nasal congestion, obstruction and mouth breathing. The O2Vent allows nasal breathing when the nose is unobstructed, but when obstruction is present, breathing is supplemented via the airway integrated in the appliance.

The ExVent™ is a valve accessory that fits into the open airway of the O2Vent Optima device, to augment traditional oral appliance therapy by stabilizing the airway. The ExVent valve contains air vents that open fully on inhalation for unobstructed airflow. The valve closes on exhalation, directing the air through the vents, creating the mild resistance or airway support required to keep the airway stable (known as PEEP, positive end expiratory pressure).

According to a report published by the Sleep Health Foundation Australia, an estimated 1.5 million Australians suffer with sleep disorders and more than half of these suffer with obstructive sleep apnoea¹.

Continuous positive airway pressure (CPAP) is the most definitive medical therapy for obstructive sleep apnea, however many patients have difficulty tolerating CPAP². Oral appliances have emerged as an alternative to CPAP for obstructive sleep apnea treatment³. The O2Vent Optima and ExVent provide a discreet and comfortable alternative to CPAP for the treatment of OSA.

¹ Deloitte Access Economics. Reawakening Australia: the economic cost of sleep disorders in Australia, 2010. Canberra, Australia.

² Beecroft, et al. Oral continuous positive airway pressure for sleep apnea; effectiveness, patient preference, and adherence. Chest 124:2200–2208, 2003

³ Sutherland et al. Oral appliance treatment for obstructive sleep apnea: An updated Journal of Clinical Sleep Medicine. February 2014.