

ASX Release

Oventus issues Shares and Options under the \$2m capped Share Purchase Plan and Options under the Placement

Key highlights:

- Shares and Options issued to Shareholders under the Share Purchase Plan (SPP) Prospectus
- Options issued under the Placement to all investors and Shares issued under the Placement to related parties
- Proposed issue of options to Directors, which will be subject to Shareholder approval
- Funds raised from the SPP and Placement will underpin the strong existing demand for Oventus' Lab in Lab business model with patient flow expected to accelerate as COVID-19 restrictions are gradually lifted in North America

Brisbane, Australia 18 June 2020: Obstructive Sleep Apnoea (**OSA**) treatment innovator, Oventus Medical Ltd (ASX: OVN) is pleased to announce that it has today issued the Shares and Options under the Share Purchase Plan (**SPP**), the Options under the Placement and the remaining Shares under the Placement to related parties on the terms as announced on 1 May 2020.

The issue of all Shares and Options reflect the terms detailed in the Prospectus lodged on 5 May 2020 and the notice of meeting for the General Meeting of the Company which convened on 12 June 2020.

The Shares under the Placement and the SPP had an issue price of \$0.24 each. Under both the Placement and the SPP, the Company offered one (1) free attaching unlisted option for every two (2) new shares subscribed for (**Options**). The Options offered under the SPP and the Placement have an exercise price of \$0.36 and will expire on 30 June 2021.

A full snapshot of the securities issued under both the Placement and the SPP is set out below:

Capital raising	Security issue	Number issued	Issue date	ASX forms lodged
Placement	Options – as approved by Shareholders on 12 June 2020	9,687,477	18 June 2020	Full detail is contained in the ASX Appendix 3G lodged today

	Shares – issued to related parties as approved by Shareholders on 12 June 2020	364,584	18 June 2020	Full detail is contained in the ASX Appendix 2A and Cleansing Notice lodged today
	Shares – issued to all non-related parties as ratified by Shareholders on 12 June 2020	19,010,416	8 May 2020	Full detail was contained in the ASX Appendix 2A and Cleansing Notice lodged on 8 May 2020
SPP	Shares	8,332,984	18 June 2020	Full detail is contained in the ASX Appendix 2A and Cleansing Notice
	Options – as approved by Shareholders on 12 June 2020	4,166,289	18 June 2020	Full detail is contained in the ASX Appendix 3G

Funds raised from both the Placement and the SPP will be used to support expansion of Oventus' Lab in Lab business model to meet growing demand for the Company's products and services, with bookings continuing through COVID-19 and patient flow expected to accelerate as COVID-19 restrictions are gradually lifted in North America.

In accordance with the terms of the SPP Offer, given the SPP Offer was heavily oversubscribed, the Company scaled back applications received through the SPP on a pro-rata equal basis. The unallocated portion of applications for SPP Shares will be refunded following the scale back on Tuesday, 23 June 2020. An example of how the scale back was conducted is detailed in the ASX Announcement dated 17 June 2020.

Shareholders with questions in relation to the SPP may contact Oventus' share registry, Computershare Investor Services Pty Ltd, on 1300 552 270 (local call cost within Australia) or +61 3 9415 4000 at any time between 8:30am and 5:30pm (AEST), Monday to Friday (excluding public holidays.)

Proposed issue of Director Options

The Board is also considering an issue of Options to all Directors under the Executive Share Option Plan of the Company. The issue of Options is proposed on the following basis:

- The Board had deferred their directors' fees earlier this calendar year to deal with the economic fallout due to COVID-19. As such, any Director Options will be issued in part in consideration for this deferral; and
- The Options will have an exercise price of \$0.40 (a 10% premium to that offered under the Placement and the SPP).

The Options will be subject to shareholder approval under both ASX Listing Rule 10.14 and Chapter 2E of the Corporations Act at a general meeting of shareholders.

Given current market volatility the Board believe it prudent to seek shareholder approval of the proposed issue of Options prior to the 2020 annual general meeting. Full detail of the proposed Options will be contained in the Notice of Meeting convening the general meeting of shareholders and are contained in the Appendix 3B lodged today. It is anticipated that the Notice of Meeting will be despatched to Shareholders in the coming weeks.

—ENDS—

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.