

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Oventus Medical Limited

ABN

12 608 393 282

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Options – issued to staff and consultants under the Oventus Executive Option Plan |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 800,000 Options |

3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	700,000 Options – have an exercise price of \$0.9606 per Option and will expire on 12 December 2022: The Options may be exercised as follows: 1. One third of the Options will vest on 12 December 2017; 2. One third of the Options will vest on 12 December 2018; and 3. Balance of the Options will vest on 12 December 2019 100,000 Options – have an exercise price of \$0.94 per Option and will expire on 24 February 2022: The Options may be exercised as follows: 1. One third of the Options will vest on 24 February 2018; 2. One third of the Options will vest on 24 February 2019; and 3. Balance of the Options will vest on 24 February 2020
4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Options – No Options do not have any Dividend rights
5	Issue price or consideration	Options – Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Options – issued in accordance with the Options approved under the Oventus Executive Option Plan

+ See chapter 19 for defined terms.

6a	Is the entity an *eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the *securities the subject of this Appendix 3B</i> , and comply with section 6i	N/A
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of *securities issued without security holder approval under rule 7.1	N/A
6d	Number of *securities issued with security holder approval under rule 7.1A	N/A
6e	Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of *securities issued under an exception in rule 7.2	N/A
6g	If *securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the *issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If *securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A

7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	Options – 22 May 2017														
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>34,990,842</td><td>Fully paid ordinary shares</td></tr></table>	Number	+Class	34,990,842	Fully paid ordinary shares										
Number	+Class															
34,990,842	Fully paid ordinary shares															
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>37,009,158</td><td>Fully paid ordinary shares (mandatory escrow to 19 July 2018)</td></tr><tr><td>2,609,882 (following the cancellation of 284,003 Options)</td><td>Options have an exercise price of \$0.578 per Option and expire on 23 February 2021</td></tr><tr><td>401,464</td><td>Options have an exercise price of \$0.725 per Option and expire on 13 April 2021</td></tr><tr><td>550,000</td><td>Options have an exercise price of \$1.055 per Option and expire on 1 December 2021</td></tr><tr><td>700,000</td><td>Options have an exercise price of \$0.9606 per Option and expire on 12 December 2022</td></tr><tr><td>100,000</td><td>Options have an exercise price of \$0.94 per Option and expire on 24 February 2022</td></tr></table>	Number	+Class	37,009,158	Fully paid ordinary shares (mandatory escrow to 19 July 2018)	2,609,882 (following the cancellation of 284,003 Options)	Options have an exercise price of \$0.578 per Option and expire on 23 February 2021	401,464	Options have an exercise price of \$0.725 per Option and expire on 13 April 2021	550,000	Options have an exercise price of \$1.055 per Option and expire on 1 December 2021	700,000	Options have an exercise price of \$0.9606 per Option and expire on 12 December 2022	100,000	Options have an exercise price of \$0.94 per Option and expire on 24 February 2022
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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A														

Part 2 - Pro rata issue (Not applicable)

11	Is security holder approval required?	
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+ See chapter 19 for defined terms.

12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	

26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	+Issue date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

+ See chapter 19 for defined terms.

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another +security, clearly identify that other +security)
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42 Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in clause 38)	<table border="1"> <thead> <tr> <th data-bbox="710 185 1013 230">Number</th><th data-bbox="1013 185 1308 230">+Class</th></tr> </thead> <tbody> <tr> <td data-bbox="710 230 1013 445"></td><td data-bbox="1013 230 1308 445"></td></tr> </tbody> </table>	Number	+Class		
Number	+Class				

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Date: 25 May 2017

(Company secretary)

Print name: Stephen Denaro