ASX Release

Strategic response to COVID-19

Key points:

- **Lab in Lab contracts continue to be negotiated**
- **Existing Lab in Lab sites continue to identify patients for treatment**
- **Planned launches continuing with remote training and implementation ahead of go live**
- **Supply lines remain intact due to digital workflow**
- **Large cost saving measures being implemented with net cash outflows for the current quarter further reduced**

Brisbane, Australia 18 March 2020: Obstructive Sleep Apnoea (OSA) treatment innovator, Oventus Medical Ltd (ASX: OVN) wishes to provide a short update on operating conditions in light of COVID-19.

Over the past 48 hours, a number of U.S. state regulatory bodies have recommended or mandated that only emergency dental services be provided in the short term. The Oventus team, which is experienced in virtual patient management and remote practice management has swiftly put in place key initiatives to enable existing Lab in Lab sites to continue to identify OSA patients for treatment. The Company has also moved to provide online or phone consultations; forward schedule appointments to scan patients for devices and complete verification of benefit work where required to have a payer (or insurer) cover device costs.

Previously scheduled Lab in Lab site launches continue to move forward, supported by remote training and implementation. Strong demand remains in place for the Lab in Lab clinical delivery model, with additional contracts continuing to move through the negotiation pipeline.

Supply lines for Oventus product are not affected by the current environment as Oventus is a data management, digital design and virtual practice management company with inbuilt manufacturing redundancy through primary and secondary manufacturing contracts.

Oventus CEO Dr Chris Hart commented, “A number of our team members have worked with me in prior clinical businesses where virtual patient management and remote practice management were key elements. We are adopting many of the systems used previously to enable us to continue to engage with both our lab in lab partners and their patients so we can trade through the COVID-19 environment. In situations like this we need to improvise, adapt and overcome and I am very proud of our management team’s ability to do so.

While the current macro situation is expected to lead to a near-term slow down on revenue growth, many of our customers see that the Lab in Lab model can help them recover lost

revenues from any U.S. state government-recommended pauses in trading. We are working closely with our customers during this period to ensure we are all well positioned for the future increase in patient demand."

In tandem with the process to optimise sites and site launches, Oventus is implementing large cost saving measures to preserve capital for the expected rebound in patient flow. Forecasted net spend for the March quarter has been revised down by one third and is expected to remain low until revenues return to alignment with prior internal forecasts.

Oventus' focus remains on growing the business, while protecting the wellbeing of employees and customers. A strong technology backbone enables the Oventus team to work with minimal disruption to the business.

—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 O_2Vent devices manage the entire upper airway via a unique and patented built-in airway. O_2Vent 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 O_2Vent 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 apnoea[1].

Continuous positive airway pressure (CPAP) is the most definitive medical therapy for obstructive sleep apnea, however many patients have difficulty tolerating CPAP[2]. Oral appliances have emerged as an alternative to CPAP for obstructive sleep apnea treatment[3]. 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.