

## ASX Media Release

### Loan to Progress Bone Substitute Project

SYDNEY 28<sup>th</sup> April 2021– Allegra Orthopaedics Limited (Allegra or Company) (ASX: AMT) advises that it has been successful in obtaining a loan facility of up to \$2M (“the Loan”) to progress the Bone Substitute Project which is developing a composite biocompatible ceramic material known as Sr-HT-Gahnite.

This funding will allow Allegra to continue on the path towards commercialisation, including gaining regulatory approvals for both Federal Drug Administration in the United States and Australia’s Therapeutic Goods Administration.

The Loan, which is on normal commercial terms negotiated on an arm’s length basis, is to be made to Allegra by Robinwood Investments Pty Ltd, a substantial shareholder and an entity associated with Company director Dr. Nicholas Hartnell.

The maximum loan amount of \$2M may be progressively drawn down in tranches of \$300k as required by Allegra over the term of the Loan being 24 months. The interest rate of the Loan is 13% per annum on all cumulative amounts drawn down with interest paid monthly in arrears.

If during the term of the Loan, Allegra decides to perform a capital raising event, then at Allegra's option, Allegra may offer the lender the option to convert any, or all, of the current loan balance to shares at the same price as it is offered to the market (noting that any capital raise event would typically be offered to the market at a discounted price to the market price). If the lender does not take up the offer from Allegra in full, then any loan balances outstanding at the end of the loan term may be:

- (a) convertible to Allegra shares at Allegra's option, and the conversion price would be a 10% discount to the 90day VWAP price at time of conversion, or;
- (b) repaid to the lender by Allegra

No security is provided by Allegra for the Loan.

Any conversion of the Loan to Allegra shares will be subject to required shareholder approvals under the Corporations Act and ASX Listing Rules (LR 10.11).

Authorised by Jenny Swain, CEO

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**ABOUT ALLEGRA ORTHOPAEDICS:**

We aim to help bring the freedom and happiness of pain free movement to people's lives. We achieve this through providing the best possible solutions for patients, from world-wide industry leading orthopaedic products through to Australian innovations. We pride ourselves in our strong relationships with universities, companies and surgeon inventors.

Allegra's principal product, the Active Total Knee, has significantly improved the quality of life for many people and remains one of our focused product lines. Allegra is also the exclusive distributors of Waldemar Link GmbH & Co. KG products in Australia. Link consists of a range of complex lower limb, hip and knee replacements, including oncology solutions. The Link products add to Allegra's well-developed range of products for distribution from international suppliers covering all specialties from foot and ankle to upper limb.

The company is pleased to continue to build upon its extensive portfolio of patents, including the acquisition of all the registered patents and application for patents previously held by the by the University of Sydney in relation to the bio ceramic material, Sr-HT-Gahnite.

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