

ASX Release

Letter to shareholders re Prospectus

Brisbane, Australia 21 May 2021: Obstructive Sleep Apnea (OSA) treatment innovator, Oventus Medical Ltd or the Company (ASX: OVN) is pleased to share, in accordance with Listing Rule 3.17.1 a copy of a letter that has been sent to shareholders today.

For further information, please visit our website at www.o2vent.com.

—ENDS—

OVN

MR SAM SAMPLE
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123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

SRN/HIN: SRN WITHHELD

ASX Code: OVN

Date: 21 May 2021

PROSPECTUS

Dear Shareholder,

On 10 May 2021, Oventus Medical Ltd (**OVN**) announced a fully underwritten 1 for 4.4 non-renounceable entitlement offer of new shares (**New Shares**) at an issue price of \$0.12 per New Share (**Offer Price**) to raise up to approximately \$5m (**Entitlement Offer**).

Under the Entitlement Offer, you will be entitled to purchase 1 New Share for every 4.4 shares that you hold as at the record date of 7pm (Sydney time) on Tuesday, 18 May 2021 (**Record Date**) if (and only if) application monies are received prior to the closing date of the Entitlement Offer, being 5pm (Sydney time) on Monday, 7 June 2021, in accordance with the Prospectus and the personalised entitlement form.

Investors who participate in the Entitlement Offer will receive one (1) free attaching unquoted option for every two (2) new shares subscribed for (**New Option**), exercisable at \$0.24 and expiring 2 years from date of issue.

As part of the Entitlement Offer, Shareholders are invited to apply for additional New Shares at the Offer Price that are available from any shortfall to the Entitlement Offer if not all New Shares are taken up under the Entitlement Offer.

Also included in this Prospectus is the offer of the Options under the Placement Options Offer to subscribers under the Placement. Under this offer, the Company invites the Placement Subscribers (both for the Tranche 1 and Tranche 2 Placements (as detailed in the Prospectus)) to apply for Options in accordance with the placement letters entered into in connection with the Placement. The Options are offered on the same basis as under the Entitlement Offer; namely, one (1) free Option for every two New Shares subscribed for in the Placement. These Options are exercisable at \$0.24 cents at any time on or before the day that is 24 months after the date of issue. Only Placement Subscribers who participated in the Placement may participate in the Placement Options Offer.

How to access the Entitlement Offer

This letter serves notice about the Entitlement Offer and you will not receive a physical mail pack unless you request it.

Shareholders can access the Prospectus and the BPAY/EFT payment details by clicking the **Apply Now** button via the following website:

<https://investors.o2vent.com/oventus-entitlement-offer>

Alternatively, Shareholders may request a paper copy of the Prospectus and personalised entitlement forms from Computershare by 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Eligibility to participate in the Entitlement Offer

To qualify for the Entitlement Offer under this Prospectus, a Shareholder must:

- Be a shareholder with a registered address on Oventus' share register in Australia or New Zealand as at 7.00pm (AEST) on the Record Date;
- Not be in the United States nor acting for the account or benefit of a person in the United States; and
- Be eligible under all applicable securities laws to receive an offer under the Entitlement Offer. The Entitlement Offer is not extended to Shareholders who are not Eligible Shareholders.

Use of Funds

The proceeds of the Entitlement Offer will strengthen Oventus' balance sheet and enable Oventus to enhance its manufacturing operations and logistics, sales and marketing activities and to support one-off restructuring and formation costs relating to the reduction in operating expenses as outlined in the Oventus' March Quarterly Business Review.

TIMETABLE

Indicative Timetable for the Entitlement Offer and Placement	
Activity	Date
Record Date - Entitlement Offer Record Date for Eligible Shareholders for Entitlement Offer	7:00 p.m. 18 May 2021
Prospectus despatched Despatch of Prospectus for Entitlement Offer and Placement Options Offer	21 May 2021
Opening Date Opening Date for the Entitlement Offer Opening Date for the Placement Options Offer	21 May 2021
Closing Date Closing Date for the Entitlement Offer Closing Date for the Placement Options Offer	7 June 2021
Issue Date – Entitlement Offer (Shares and Options) Issue of the Shares and Options under the Entitlement Offer	15 June 2021
Quotation date – Entitlement Offer - Shares Expected ASX quotation of Entitlement Offer Shares	16 June 2021
General Meeting Extraordinary General Meeting for approval of the Tranche 1 Placement Shares, Tranche 1 Placement Options, Tranche 2 Placement Shares and Tranche 2 Placement Options	21 June 2021
Issue Date - Tranche 1 Placement Options, Tranche 2 Placement Shares and Tranche 2 Placement Options Issue date of Tranche 1 Placement Options Issue date of Tranche 2 Placement Shares and Tranche 2 Placement Options	29 June 2021

Indicative Timetable for the Entitlement Offer and Placement	
Activity	Date
Quotation Date – Tranche 2 Placement Shares	30 June 2021
ASX quotation of the Tranche 2 Placement Shares	

We look forward to keeping the market updated with further material progress.

—ENDS—

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

Authorised by Dr Chris Hart, Managing Director and CEO: M: +61 409 647 496 or investors@oventus.com.au

Jane Lowe, IR Department: M: +61 411 117 774 or jane.lowe@irdepartment.com.au

About Oventus – see more at www.o2vent.com

Oventus is a Brisbane-based medical device company that is commercialising a unique treatment platform for obstructive sleep apnea (OSA) and snoring. The Company has a collaborative Sleep Physician/Dental strategy that streamlines patients' access to treatment.

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

O2Vent Optima 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 Optima 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®¹ 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 apnea².

Continuous positive airway pressure (CPAP) is the most definitive medical therapy for obstructive sleep apnea, however many patients have difficulty tolerating CPAP³. Oral appliances have emerged as an alternative to CPAP for obstructive sleep apnea treatment⁴. The O2Vent Optima and ExVent provide a discreet and comfortable alternative to CPAP for the treatment of OSA.

¹ Not yet cleared for sale in the US.

² Deloitte Access Economics. Reawakening Australia: the economic cost of sleep disorders in Australia, 2010. Canberra, Australia.

³ Beecroft, et al. Oral continuous positive airway pressure for sleep apnea; effectiveness, patient preference, and adherence. Chest 124:2200–2208, 2003

⁴ Sutherland, Kate, et al. "Oral appliance treatment for obstructive sleep apnea: an update." Journal of Clinical Sleep Medicine 10.2 (2014): 215-227.