Notice given under Section 708AA(2)(f) of the Corporations Act

Minnesota, United States and Melbourne, Australia – 4 August 2017. This notice is given by Osprey Medical Inc. (**Osprey** or **Company**) (ASX:OSP) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**)) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Class Order [CO 14/827].

Osprey has announced today a capital raising of approximately $32.5 million through:

1. a fully underwritten pro rata, non-renounceable entitlement offer of approximately 25,785,924 CHESS Depositary Interests (**New CDIs**) CDIs (representing approximately 12,892,962 new fully paid shares of Common Stock) to raise approximately $10.3 million before costs and expenses (**Entitlement Offer**); and
2. a placement of 55,464,076 CDIs (representing 27,732,038 million new fully paid shares of Common Stock) at a price of $0.40 per CDI to sophisticated and professional investors, to raise approximately $22.2 million before costs and expenses (**Placement**).

Entitlement Offer Background

Under the Entitlement offer, eligible holders of CDIs with registered addresses in Australia, New Zealand, Hong Kong or Singapore (**Eligible Holders**), will be invited to subscribe for one New CDI for every 10 CDIs in Osprey held by Eligible Holders as at 7.00pm (AEST) on Wednesday 9 August 2017 at an issue price of $0.40 per New CDI.

Subject to the Corporations Act, the requirements of the ASX Listing Rules and any other applicable laws, a top up facility (**Top Up Facility**) will be made available to Eligible Holders to subscribe for New CDIs in excess of their pro rata entitlement (**Additional New CDIs**). The issue of Additional New CDIs under the Top Up Facility will be dependent on there being a shortfall in the take up of pro rata entitlements under the Entitlement Offer.

The Entitlement Offer is fully underwritten. Osprey has entered into an Underwriting Agreement with Canaccord Genuity (Australia) Limited and Bell Potter Securities Limited (**Joint Lead Managers**). In addition, Osprey's largest holder of CDIs, Brandon Capital Partners (including funds that Brandon Capital Partners Pty Ltd and BCP3 Pty Ltd manage) (**Brandon**), has committed to take up a minimum of its pro rata entitlement under the Entitlement Offer and to fully sub-underwrite the remainder of the Entitlement Offer.

If Eligible Holders do not take up their pro rata entitlements under the Entitlement Offer, the shortfall will be allocated:

- first, to Eligible Holders who apply to take up Additional New CDIs in accordance with the terms of the Top Up Facility; and
- next to the Joint Lead Managers and sub-underwriter.

Further details regarding the underwriting arrangements are set out the Offer Booklet to be issued in connection with the Entitlement Offer.

Section 708AA(7) of the Corporations Act

For the purposes of section 708AA(7) of the Corporations Act, the Company advises that:

1. the New CDIs will be offered for issue under the Entitlement Offer without disclosure to investors under part 6D.2 of the Corporations Act;

2. this notice is being given by Osprey under section 708AA(2)(f) of the Corporations Act as notionally modified by ASIC;

3. as at the date of this notice Osprey has complied with:

   (i) section 601CK of the Corporations Act; and
   (ii) section 674 of the Corporations Act;

3. as at the date of this notice there is no excluded information (as defined in section 708AA(8) and 708AA(9) of the Corporations Act as notionally modified by ASIC) which is required to be disclosed by the Company; and

4. the potential effect that the issue of New CDIs under the Entitlement Offer and the Placement will have on the control of Osprey and the implications of that effect are provided below.

Effect on Control

Osprey does not consider that the Entitlement Offer will have any material effect on control. However, given that the largest holder of CDIs in Osprey, Brandon, has (i) agreed to participate in the Placement, (ii) committed to take up a minimum of its pro rata entitlement under the Entitlement Offer, and (iii) agreed to fully sub-underwrite the remainder of the Entitlement Offer, Brandon will likely increase its percentage holding in Osprey.

On completion of the Placement and Entitlement Offer, it is expected that Brandon will own no less than 23% and no more than 29%, of the issued CDIs. The exact number of CDIs that will be issued to Brandon will depend upon the extent to which other Eligible Holders take up their entitlements under the Entitlement Offer and participate in the Top Up Facility.

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Osprey Medical Inc. (ARBN 152 854 923) is a foreign company incorporated in Delaware, USA, whose stockholders have limited liability.
www.ospreymed.com

Effect on CDI holdings

The issue of CDIs under the Placement will have the effect of diluting the percentage holdings of CDI holders in Osprey who do not participate in the Placement.

Whether the Entitlement Offer has any further effect on the percentage holdings of Eligible Holders will be dependent on the extent to which Eligible Holders participate in the Entitlement Offer (including under the Top Up Facility). In particular:

- Eligible Holders who do not take up their full pro rata entitlement under the Entitlement Offer will have their percentage shareholding in the Company further diluted following the issue of New CDIs under the Entitlement Offer.
- Eligible Holders who take up their full pro rata entitlement under the Entitlement Offer will maintain their percentage holding (although, as noted above, because of the issue of CDIs under the Placement, that percentage holding will be less than their percentage holding immediately prior to completion of the Placement).
- Eligible Holders who take up their full pro rata entitlement under the Entitlement Offer and receive New CDIs under the Top Up Facility and/or receive New CDIs as sub-underwriters, will increase their percentage holding in the Company to the extent they receive additional New CDIs under the Top Up Facility and/or their sub-underwriting arrangements.

About Osprey

Osprey Medical's vision is to make heart imaging procedures safer for patients with poor kidney function. The amount of dye (contrast) used during angiographic imaging procedures increases the patient's risk for dye-related kidney damage known as Contrast Induced Acute Kidney Injury (AKI). The Company's core technologies originated from research conducted by Dr David Kaye at Melbourne's Baker Institute. Its proprietary dye reduction and monitoring technologies are designed to help physicians minimize dye usage and monitor the dose of dye real time throughout the procedure. The Company's DyeVert™ Plus System reduces contrast while maintaining image quality in a self-adjusting easy-to-use design that monitors dye usage. Osprey Medical's Board and Management are comprised of experienced and successful personnel with established track records covering medical device development, regulatory approvals, sales and marketing, and mergers-acquisitions. Osprey Medical's advisory board comprises world-recognised experts in heart and kidney diseases.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements, including without limitation our expectations with respect to our ability to commercialize our products including our estimates of potential revenues, costs, profitability and financial performance; our ability to develop and commercialize new products including our ability to obtain reimbursement for our products; our expectations with respect to our clinical trials, including enrolment in or completion of our clinical trials and our associated regulatory submissions and approvals; our expectations with respect to the integrity or capabilities of our intellectual property position. Management believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Osprey does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Osprey may not actually achieve the plans, projections or expectations disclosed in forward-looking statements, and actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

Foreign Ownership Restriction

Osprey's CHESS Depositary Interests (CDIs) are issued in reliance on the exemption from registration contained in Regulation S of the US Securities Act of 1933 (Securities Act) for offers or sales which are made outside the US. Accordingly, the CDIs have not been, and will not be, registered under the Securities Act or the laws of any state or other jurisdiction in the US. The holders of Osprey's CDIs are unable to sell the CDIs into the US or to a US person unless the re-sale of the CDIs is registered under the Securities Act or an exemption is available. Hedging transactions with regard to the CDIs may only be conducted in accordance with the Securities Act.

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