

# Osteopore<sup>®</sup>

Osteopore Limited

ACN 630 538 957

## PROSPECTUS



For an initial public offer of **26,250,000** Shares at an issue price of A\$0.20 each to raise **A\$5,250,000** (before costs) (**Public Offer**).

Lead Manager: Alto Capital (AFSL: 279099)

This Prospectus also incorporates an offer of:

- (a) 71,027,008 Shares issued to the Vendors (or nominees) pursuant to the Acquisition (**Consideration Offer**); and
- (b) 2,500,000 Options issued to the Lead Manager (or its nominees) in part consideration for advisory services provided to the Company (**Lead Manager Offer**),

(together, the **Secondary Offers**).

The Public Offer is subject to the Conditions set out in Section 1.5.

It is proposed that the Public Offer and the Secondary Offers (together, **Offers**) will close at 5.00pm (Sydney time) on 23 August 2019.

The Directors reserve the right to close the Offers earlier or to extend this date without notice. Applications must be received before that time.

This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this document.

An investment in the Company under this Prospectus should be regarded as **highly speculative** in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 4 for a summary of the key risks associated with an investment in the Shares.



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## IMPORTANT INFORMATION

### Prospectus

This Replacement Prospectus is dated, and was lodged with ASIC on, 25 July 2019. This Replacement Prospectus replaces the Original Prospectus dated 18 July 2019 that was issued by the Company and lodged with ASIC on that date. For the purposes of this document this Replacement Prospectus will be referred to as either the "Replacement Prospectus" or "Prospectus". Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Replacement Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Replacement Prospectus is 5.00pm (Sydney time) on that date which is 13 months after the date this Replacement Prospectus was lodged with ASIC. No Shares will be issued on the basis of this Replacement Prospectus after that expiry date.

This Replacement Prospectus has been issued to provide further disclosure in regards to the Company's financial position insofar as it relates to Osteopore currently making a loss and the associated risks with the Company's financial position.

Application was made to ASX within 7 days of the date of the Original Prospectus for Official Quotation of the Shares the subject of the Public Offer.

No person is authorised to give any information or to make any representation in connection with the Offers, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

### Electronic Prospectus and Application Forms

This Prospectus will generally be made available in electronic form by being posted on the Company's website at [www.osteopore.com](http://www.osteopore.com). Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the Offer Period by contacting the Company as detailed in the Corporate Directory. The Offers constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and the relevant Application Form within Australia.

Applications will only be accepted on the relevant Application Form attached to, or accompanying, this Prospectus or in its paper copy form as downloaded in its entirety from [www.osteopore.com](http://www.osteopore.com). The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

Prospective investors wishing to subscribe for Shares under the Public Offer should complete the Public Offer Application Form. If you do not provide the information required on the Public Offer Application Form, the Company may not be able to accept or process your Application.

No document or information included on the Company's website is incorporated by reference into this Prospectus.

### Offers outside Australia

No action has been taken to register or qualify the Securities the subject of this Prospectus, or the Offers, or otherwise to permit the public offering of the Securities, in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

## Singapore

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's Shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## Hong Kong

**WARNING:** This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Shares. The Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act.

## Speculative Investment

The Securities offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the Securities offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the Shares or that there will be an increase in the value of the Shares in the future.

Prospective investors should carefully consider whether the Securities offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 4 for details relating to the key risks applicable to an investment in the Shares.

## Cooling off rights

Cooling off rights do not apply to an investment in Securities pursuant to the Offers. This means that, in most circumstances you cannot withdraw your Application once it has been accepted.

## Using this Prospectus

Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

## Forward-Looking Statements

This Prospectus contains forward-looking statements which are identified by words such as “believes”, “estimates”, “expects”, “targets”, “intends”, “may”, “will”, “would”, “could”, or “should” and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 4. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

## Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

## Third party publications

The Company and Technology Overview in Section 2 and the Industry Overview in Section 3 of this Prospectus includes attributed statements from books, journals and comparable publications that are not specific to, and have no connection with the Company. The authors of these books, journals and comparable publications have not provided their consent for these statements to be included in this Prospectus, and the Company is relying upon ASIC Corporations (Consents to Statements) Instrument 2016/72 for the inclusion of these statements in this Prospectus without such consent having been obtained.

## Miscellaneous

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to “\$” or “A\$” are references to Australian dollars.

All references to time in this Prospectus are references to (WST), being the time in Perth, Western Australia, unless otherwise stated.

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 12.

## CORPORATE DIRECTORY

### Directors

**Brett Sandercock**

Non-Executive Chairman

**Professor Teoh Swee Hin**

Non-Executive Director

**Stuart Carmichael**

Non-Executive Director

**Geoff Pocock**

Executive Director

### Company Secretary

Deborah Ho

### Management

**Goh Khoon Seng**

Chief Executive Officer

**Lim Jing**

Chief Technology Officer

### Registered and Principal Office

Ground Floor, 16 Ord Street

West Perth WA 6005

Telephone: +61 8 9482 0500

Facsimile: +61 8 9482 0505

Website: [www.osteopore.com](http://www.osteopore.com)

### Corporate Advisor

**Ventnor Capital Pty Ltd**

16 Ord Street

West Perth WA 6005

### Lawyers (Australia)

**Bellanhouse Lawyers**

Level 19, Alluvion

58 Mounts Bay Road

Perth WA 6000

### Lawyers (Singapore)

**Tan Rajah & Cheah**

80 Raffles Place

#58-01 UOB Plaza 1

Singapore 048624

### Intellectual Property Expert

**Wrays**

Level 7, 863 Hay Street

Perth WA 6000

### Share Registry\*

**Link Market Services Limited**

1A Homebush Bay Drive

Rhodes NSW 2138

### Proposed Stock Exchange Listing

Australian Securities Exchange (ASX)

Proposed ASX Code: OSX

### Auditor\*

**Grant Thornton Audit Pty Ltd**

Central Park

Level 43, 152-158 St Georges Terrace

Perth WA 6000

### Lead Manager\*

**Alto Capital (AFSL:279099)**

16 Ord Street

West Perth WA 6005

### Investigating Accountant

**Grant Thornton Corporate Finance Pty Ltd**

Central Park

Level 43, 152-158 St Georges Terrace

Perth WA 6000

\* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.





# LETTER FROM THE CHAIRMAN

## Dear Investor,

On behalf of the Board of Osteopore Limited (**Company**), I am pleased to present this Prospectus and to invite you to become a shareholder in the Company.

On completion of the Offers, the Company will become the parent entity to Osteopore International Pte Ltd (**Osteopore**).

Osteopore was founded in 2003 and is a bone regeneration company that through a combination of 3D printing and bioresorbable material, manufactures devices that biomimic the cancellous bone microarchitecture that facilitates the natural stages of bone healing.

Osteopore's products are fabricated in-house using proprietary 3D printing technology that is precise and allows for customisation of shape and geometry.

Following receipt of US Food and Drug Administration (**FDA**) approval in 2006 and CE-Mark approval in 2009 (and reapproval in 2017), Osteopore has successfully commercialised three products, 'Osteoplug' 'Osteomesh' and 'Osteostrip' and has sold over 20,000 units to hospitals in Singapore, South Korea, Vietnam and Malaysia since inception.

The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages:

- (a) **Revenue generating:** Osteopore is revenue generating with S\$934,878 (approximately A\$990,000) in revenues for the twelve month period to 31 December 2018, however, investors should be aware that Osteopore is currently loss making (and refer to Section 6 for further information on the Company's financial position);
- (b) **Proprietary technology:** Osteopore has licensed a range of technologies from Singapore's leading universities, NTU and NUS;
- (c) **FDA and CE Mark Approvals:** Osteopore's products are cleared by the US FDA (510(k) clearance) and bear the CE marking of conformity;

- (d) **Scalable business model:** Osteopore intends to scale its business model along its existing customers and markets, within the key sectors covered as well as into new sectors and markets;
- (e) **Continued investment in technology development:** Osteopore intends to invest in further development efforts to improve and expand the range of licensed proprietary technologies. The Company also intends to in-license further new technologies developed at NTU or other institutions; and
- (f) **Highly credible management team:** Osteopore has a highly credible and experienced team to progress the commercialisation and expansion of its technology.

The purpose of the Public Offer is to raise \$5,250,000 (before associated costs) by the issue of 26,250,000 Shares at an issue price of \$0.20 each.

The proceeds of the Public Offer will be utilised to enable the Company to support market penetration, fund the investment into new 3D printed microarchitecture and bioresorbable devices, provide general working capital and pay for the costs of the Offers.

This Prospectus contains detailed information about the Offers and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company. Potential investors in the Company should carefully consider those risks (detailed in Section 4).

We look forward to welcoming you as a Shareholder should you decide to take up Securities pursuant to the Offers.

Yours faithfully



**Brett Sandercock**

Non-Executive Chairman  
Osteopore Limited

## KEY DETAILS OF THE OFFERS

Key Details of the Offers <sup>1</sup>	Shares	Options <sup>2</sup>
Existing Securities on issue	3,953,494	7,200,000
Offer Price per Share under the Public Offer	\$0.20	
Shares offered under the Public Offer	26,250,000	
Cash raised under the Public Offer (before expenses)	\$5,250,000	
Options offered under the Lead Manager Offer		2,500,000
Shares offered under the Consideration Offer	71,027,008	
<b>Total Securities on issue on completion of the Offers</b>	<b>101,230,502</b>	<b>9,700,000</b>

### Notes:

1. Please refer to Section 1.8 for further details relating to the proposed capital structure of the Company.
2. The Options are exercisable at \$0.25 each and expire on 30 June 2022. Please see Section 10.3 for the full terms and conditions of the Key Management Options and Lead Manager Options.

## INDICATIVE TIMETABLE

Event	Date
Lodgement of this Prospectus with ASIC	25 July 2019
Opening Date for the Offers	26 July 2019
Closing Date for the Offers	23 August 2019
Allotment Date	30 August 2019
Despatch of holding statements	5 September 2019
Expected date for quotation on ASX	19 September 2019

### Note:

The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company.

## INVESTMENT OVERVIEW

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More information
<b>Introduction</b>		
<b>Who is the Company and what does it do?</b>	<p>Osteopore Limited (ACN 630 538 957) (<b>Company</b>) is an Australian incorporated company.</p> <p>The Company was incorporated on 11 December 2018 as a holding company to complete the acquisition of 100% of the issued capital of Osteopore International Pte Ltd (<b>Osteopore</b>) (<b>Acquisition</b>).</p> <p>On 17 May 2019, the Company and Osteopore entered into an implementation agreement to complete the Acquisition, which was amended on 12 June 2019 (<b>Implementation Agreement</b>).</p> <p>Osteopore was founded in November 2003 to harness the commercial potential of 3D printed microarchitecture with a bioresorbable material that biomimic the healing process of tissue in regenerative medicine.</p> <p>Biomimetic devices facilitate the body's natural healing process. Once the healing is complete, no foreign materials should remain in the body to minimise or eliminate late complications such as infection, extrusion, dehiscence or fracture.</p> <p>Through a combination of 3D printing and bioresorbable material, Osteopore manufactures devices that biomimic the cancellous bone microarchitecture that facilitates the natural stages of bone healing.</p>	Section 2
<b>How will the Acquisition be implemented?</b>	The Acquisition will be implemented in accordance with the terms of the Implementation Agreement, as summarised in Section 9.1.	Section 9.1
<b>How were the terms of the Acquisition agreed?</b>	<p>The Acquisition was negotiated on an arm's length basis, and the Company is satisfied that the terms of the Implementation Agreement are the best terms that the Company was able to negotiate with Osteopore.</p> <p>The historical position of Osteopore does not provide a sufficient basis, nor is it possible or appropriate to apply formal valuation methodologies (e.g. discounted cash flow) to the Acquisition consideration.</p> <p>In determining whether the consideration for the Acquisition was appropriate, and accordingly whether the Company should make the Acquisition, the Company considered the following qualitative factors:</p> <ul style="list-style-type: none"> <li>(a) the market and business growth for bone replacement devices is growing (see Section 3 for further information on the market and business growth);</li> <li>(b) Osteopore's intellectual property interests are licenced from NTU, which protects its intellectual property by a number of patents. This gives the Board comfort on the status of the technology and the intellectual property interests of Osteopore (see Sections 2.11 and 8); and</li> <li>(c) Osteopore has a credible technical and management team (see Sections 5.2 and 5.3 for details of management profiles).</li> </ul> <p>The Board is of the view that proceeding with the Acquisition is in the best interests of the Company for the reasons set out above.</p>	

Topic	Summary	More information
<p><b>What are the key business objectives of the Company?</b></p>	<p>Upon completion of the Acquisition and completion of the Offers, the Company's main objectives are to:</p> <ul style="list-style-type: none"> <li>(a) fund a research and development program;</li> <li>(b) fund the investment into new 3D printed microarchitecture and bioresorbable materials;</li> <li>(c) provide general working capital;</li> <li>(d) pay the expenses of the Offers; and</li> <li>(e) enable admission to the official list of the ASX (<b>Official List</b>) to provide the Company with improved access to capital markets.</li> </ul>	<p>Sections 1.6 and 2.9</p>
<p><b>What is the Company's growth strategy?</b></p>	<p>Upon completion of the Acquisition, completion of the Offers and the admission to quotation of the Shares on the ASX, the Company will proceed with the business and expansion strategy.</p> <p>The Company aims to develop and commercialise its proprietary natural tissue regeneration technology to facilitate the natural stages of bone healing:</p> <ul style="list-style-type: none"> <li>(a) enhanced market penetration of the Osteoplug, Osteomesh and Osteostrip products;</li> <li>(b) invest in sales and marketing activities and infrastructure in USA, EU, Australia and Asia;</li> <li>(c) obtain necessary regulatory approval to expand applications in target jurisdictions (e.g. Australian TGA, China FDA registration, register 2nd generation materials with US FDA and CE Mark);</li> <li>(d) undertake market development and business development activities to further enhance revenue; and</li> <li>(e) expand the Company's product offering, specifically into the dental, orthopaedic and long bone market segments.</li> </ul> <p>The Company intends to, where appropriate, establish local representative offices in key target markets in order to establish licencing arrangements with local manufacturers and distributors.</p>	<p>Section 2.9</p>
<p><b>What stage of commercialisation is the Company's technology at?</b></p>	<p>Osteopore has commercialised a number of products including Osteoplug, Osteomesh and Osteostrip.</p> <p>Osteopore has a number of products that have received FDA and CE Mark approval and are being sold to hospitals and thus generating revenue for the Company.</p> <p>The Company is currently generating revenue through sale of products to Singapore, South Korea, Vietnam, Malaysia, India, US and Western Europe markets.</p>	<p>Section 2</p>
<p><b>What are the key dependencies of the Company's business model?</b></p>	<p>The key dependencies of the Company's business model include:</p> <ul style="list-style-type: none"> <li>(a) the successful completion of the Public Offer;</li> <li>(b) the ability to continually protect the Company's intellectual property rights in its technology;</li> <li>(c) retaining and recruiting key personnel skilled in the natural tissue regeneration sector;</li> <li>(d) access to capital to further research and develop the Company's technology and execute its business model and growth strategy; and</li> <li>(e) sufficient worldwide demand for the Company's products.</li> </ul>	<p>Section 4.1</p>

Topic	Summary	More information																				
<p><b>What are the key advantages of an investment in the Company?</b></p>	<p>The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages:</p> <ul style="list-style-type: none"> <li>(a) <b>Revenue generating:</b> Osteopore is revenue generating with S\$934,878 (approximately A\$990,000) in revenues for the twelve month period to 31 December 2018;</li> <li>(b) <b>Proprietary technology:</b> Osteopore has licensed a range of technologies from Singapore's leading universities NTU and NUS;</li> <li>(c) <b>FDA and CE Mark Approvals:</b> Osteopore's products are cleared by the US FDA and bear the CE marking of conformity;</li> <li>(d) <b>Scalable business model:</b> Osteopore intends to scale its business model along its existing customers and markets, within the key sectors covered as well as into new sectors and markets;</li> <li>(e) <b>Continued investment in technology development:</b> Osteopore intends to invest in further development efforts to improve and expand the range of licensed proprietary technologies. The Company also intends to in-license further new technologies developed at NTU or other institutions; and</li> <li>(f) <b>Highly credible management team:</b> the Company has a highly credible and experienced team to progress the commercialisation and expansion of the Company's technology.</li> </ul>	<p>Sections 2 and 3</p>																				
<p><b>What is the Company's financial position?</b></p>	<p>Investors should be aware that the Company is currently making a loss. A summary of the financial history of the Company is in the financial information section and Investigating Accountant's Report in Sections 6 and 7 respectively.</p>	<p>Sections 6 and 7</p>																				
<p><b>What is the proposed capital structure of the Company?</b></p>	<table border="1" data-bbox="491 1290 1257 1688"> <thead> <tr> <th colspan="2" data-bbox="491 1290 1257 1330">Key Details of the Offers</th> </tr> </thead> <tbody> <tr> <td data-bbox="491 1330 1098 1370">Existing Shares on issue</td> <td data-bbox="1098 1330 1257 1370">3,953,494</td> </tr> <tr> <td data-bbox="491 1370 1098 1411">Existing Options on issue</td> <td data-bbox="1098 1370 1257 1411">7,200,000</td> </tr> <tr> <td data-bbox="491 1411 1098 1451">Offer Price per Share under the Public Offer</td> <td data-bbox="1098 1411 1257 1451">\$0.20</td> </tr> <tr> <td data-bbox="491 1451 1098 1491">Shares offered under the Public Offer</td> <td data-bbox="1098 1451 1257 1491">26,250,000</td> </tr> <tr> <td data-bbox="491 1491 1098 1532">Cash raised under the Public Offer (before expenses)</td> <td data-bbox="1098 1491 1257 1532">\$5,250,000</td> </tr> <tr> <td data-bbox="491 1532 1098 1572">Options offered under the Lead Manager Offer</td> <td data-bbox="1098 1532 1257 1572">2,500,000</td> </tr> <tr> <td data-bbox="491 1572 1098 1612">Shares offered under the Consideration Offer</td> <td data-bbox="1098 1572 1257 1612">71,027,008</td> </tr> <tr> <td data-bbox="491 1612 1098 1653"><b>Total Shares on issue on completion of the Offers</b></td> <td data-bbox="1098 1612 1257 1653"><b>101,230,502</b></td> </tr> <tr> <td data-bbox="491 1653 1098 1688"><b>Total Options on issue on completion of the Offers</b></td> <td data-bbox="1098 1653 1257 1688"><b>9,700,000</b></td> </tr> </tbody> </table> <p><b>Notes:</b> Please refer to Section 1.8 for further details relating to the proposed capital structure of the Company.</p>	Key Details of the Offers		Existing Shares on issue	3,953,494	Existing Options on issue	7,200,000	Offer Price per Share under the Public Offer	\$0.20	Shares offered under the Public Offer	26,250,000	Cash raised under the Public Offer (before expenses)	\$5,250,000	Options offered under the Lead Manager Offer	2,500,000	Shares offered under the Consideration Offer	71,027,008	<b>Total Shares on issue on completion of the Offers</b>	<b>101,230,502</b>	<b>Total Options on issue on completion of the Offers</b>	<b>9,700,000</b>	<p>Section 1.8</p>
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<p><b>What is the proposed use of funds raised under the Public Offer?</b></p>	<p>The proceeds of the Public Offer will be applied by the Company as follows:</p> <ul style="list-style-type: none"> <li>(a) support market penetration;</li> <li>(b) fund the investment into new 3D printed microarchitecture and bioresorbable materials;</li> <li>(c) provide general working capital; and</li> <li>(d) pay for the costs of the Offers.</li> </ul>	<p>Section 1.6</p>																				

Topic	Summary	More information
<b>Summary of key risks</b>		

Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks. The risk factors set out in Section 4, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. This Section summarises the key risks which apply to an investment in the Company and the Group and investors should refer to Section 4 for a more detailed summary of the risks.

<p><b>What are the key risks of an investment in the Company?</b></p>	<p>The business and operations of the Company and the Group are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.</p> <p>The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can be effectively managed is limited.</p> <p>Based on the information available, a summary of the key risk factors affecting the business of the Company and the Group are as follows:</p> <p><b>(a) Intellectual property risks</b></p> <p>Osteopore relies on laws relating to patents, trade secrets and trademarks to assist to protect its proprietary rights. However there is a risk that unauthorised use or copying of Osteopore's products, software, data, specialised technology, manufacturing processes or platforms will occur. If the Company fails to protect its intellectual property secrets, competitors may gain access to its proprietary information which could harm the Company's business. There is a risk that the Company will be unable to register or otherwise protect new intellectual property it develops in the future. Competitors may be able to work around any of the applications or other intellectual property rights used by the Company, or independently develop technologies or competing products that are not covered by the Company's intellectual property rights.</p> <p><b>(b) Supplier and manufacturing risks</b></p> <p>Osteopore sources certain key components for its devices from third party suppliers. The delivery of such components may be delayed, or a specific supplier may not be able to deliver at all, which may lead to a longer sales cycle or may force Osteopore to shift to another supplier. There is a risk that the Company could be disrupted if no alternative suppliers were able to be sought. There is a risk that key components provided by third party suppliers may be defective.</p> <p>Further, Osteopore manufactures products which are implanted in patients. The Company's products may be subject to product quality risks. The products supplied by the Company may not be functional or not meet customer's expectations. This may lead to requirements for the Company to improve or refine its products, which may diminish operating margins or lead to losses.</p> <p><b>(c) Medical or product liability claims</b></p> <p>Generally, medical technology companies may be subject to claims alleging negligence, product liability or breach of warranty that may involve large claims and significant defence costs whether or not such liability is imposed. Claims could be made against the Company for liabilities resulting from adverse medical consequences to patients.</p>	<p>Section 4</p>
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Topic	Summary	More information
	<p><b>(d) Equipment risks</b></p> <p>Osteopore uses 3D printing technology to develop biomimetic microarchitectures that facilitate natural tissue regeneration. The core micro-extruder technology is integrated with a 3D printer. Whilst there are other providers of equipment (including 3D printers), inability to access the appropriate equipment in a timely fashion and on commercial terms may have an adverse effect on Osteopore's business and financial position.</p> <p><b>(e) Licences risk</b></p> <p>Osteopore licences software from a third party provider for use in development of fused deposition modelling 3D printing instruction software. Whilst there are other alternative software providers, there is a risk that the business could be disrupted if there is a disagreement, dispute or the third party provider is no longer able to provide its service to the Company.</p> <p><b>(f) Loss making operation, future capital needs and additional funding</b></p> <p>As at the date of this Prospectus and as set out in section 6, Osteopore is currently loss making and is not cash flow positive, meaning it is reliant on raising funds from investors to continue to fund its operations and product development. Although the Directors consider that the Company will, on Completion of the Public Offer, have sufficient working capital to carry out its stated objectives and to satisfy the anticipated current working capital and other capital requirements set out in this Prospectus, there can be no assurance that such objectives can continue to be met in the future without securing further funding.</p> <p>The future capital requirements of the Company will depend on many factors, including the pace and magnitude of the development of its business and sales, and the Company may need to raise additional funds from time to time to finance the ongoing development and commercialisation of its technology and to meet its other longer-term objectives.</p> <p>Should the Company require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing, if required, would have a material adverse effect on the Company's business, financial condition and results of operations.</p> <p><b>(g) Competition and new technologies</b></p> <p>The industry in which the Company is involved is subject to increasing global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business.</p>	

Topic	Summary	More information
	<p><b>(h) Regulatory risks</b></p> <p>The Company is subject to continuing regulation, including quality regulations applicable to the manufacture of its devices and various reporting, certification renewal and audit requirements and regulations. The Company has policies and procedures in place which are designed to ensure continuing compliance with applicable regulations for its existing products in the jurisdictions in which it operates. There can be no guarantee that the regulatory environment in which the Company operates may not change in the future which may impact on the Company's existing approvals and products.</p> <p><b>(i) New applications/products and clinical testing</b></p> <p>As set out in Section 2.6, the Company has identified a number of new applications that are complementary to its existing products, including dental, spinal/orthopaedic and long bone market segments. These new products must still undergo further clinical studies and those tests and trials may show that its new products do not work in a safe and effective manner. The Company intends to conduct clinical studies of the licensed Intellectual Property in the future, but there can be no guarantee that relevant regulatory agencies will allow the Company to undertake such trials and/or the development and approval process for any new products or applications of existing products may take longer, cost more than expected and may result in the licensed Intellectual Property not producing a viable device.</p> <p><b>(j) New markets</b></p> <p>As set out in Section 2.9, the Company will look to expand its product offerings into new markets. Any efforts to enter a new market space holds the risk that the product offering does not meet the needs of the market at an acceptable price point, the product does not meet the relevant regulatory standards and/or the underlying intellectual property is not registrable in the market. New markets usually cost substantially more to penetrate than a known market.</p> <p><b>(k) Distribution risk</b></p> <p>As set out in Section 9.11, Osteopore has a number of distribution agreements in place with third party distributors. Osteopore may be required to terminate the relevant agreement upon certain events occurring. Further, there is a risk that the Company enters into distribution agreements on terms that may not be commercially acceptable or may have a negative impact on the Company's growth and profitability.</p> <p><b>(l) Completion risk</b></p> <p>As set out in Section 9.1, the Company and Osteopore have entered into the Implementation Agreement. There is a risk that if any of the conditions to completion under the Implementation Agreement are not satisfied (or waived), completion may not occur and the Offers under this Prospectus will not proceed.</p>	



Topic	Summary	More information
	<p><b>(m) Key personnel risk</b></p> <p>The Company depends on certain key personnel including Professor Teoh, Lim Jing and Goh Khoo Seng who are largely responsible for the research and development of the devices. The departure of any of these individuals may lead to disruptions of customer relationships or delays in the manufacturing and product development efforts.</p> <p>The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company and the Group. For further information on these key risks and additional risks faced by the Company, please refer to Section 4.</p>	
<b>Directors, Related Party Interest and Substantial Holders</b>		
<b>Who are the Directors?</b>	<p>The Directors of the Company are as follows:</p> <p>(a) Mr Brett Sandercock – Non-Executive Chairman;</p> <p>(b) Mr Geoff Pocock – Executive Director;</p> <p>(c) Professor Teoh Swee Hin – Non-Executive Director; and</p> <p>(d) Mr Stuart Carmichael – Non-Executive Director.</p>	<p>“Corporate Directory” and Sections 5.1 and 5.2</p>
<b>What benefits are being paid to the Directors?</b>	<p>The Company has entered into separate director letter agreements with each of Messrs Sandercock, Pocock, Carmichael and Professor Teoh. The Company has agreed to pay Mr Sandercock a director’s fee of \$48,000 exclusive of superannuation per year for services provided on the terms set out in Section 9.5(c). The Company has agreed to pay Messrs Carmichael, Pocock and Professor Teoh a directors fee of \$36,000 exclusive of superannuation following Admission, on the terms set out in Section 9.5(c).</p> <p>The Company has also entered into an executive services agreement with Mr Pocock where he will be paid a base salary of \$96,000 plus GST, on the terms set out in Section 9.5(b).</p> <p>Mr Stuart Carmichael has also received fees as a director of Ventnor Capital, which is the Corporate Advisor to the Public Offer. Ventnor Capital has been paid \$183,646 (plus GST) since November 2017 in connection with advisory services to the Company pursuant to a mandate agreement as summarised in Section 9.4.</p>	<p>Section 9.5</p>

Topic	Summary	More information																									
<b>What interests do Directors have in the securities of the Company?</b>	<p>As at the date of the Prospectus, the Directors and their related entities hold relevant interests in the Securities specified below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #555; color: white;">Director</th> <th style="background-color: #555; color: white;">Existing Shares</th> <th style="background-color: #555; color: white;">No of Shares at completion of the Offers</th> <th style="background-color: #555; color: white;">% of Shares at completion of the Offers</th> <th style="background-color: #555; color: white;">Options<sup>2</sup></th> </tr> </thead> <tbody> <tr> <td>Mr Brett Sandercock</td> <td style="text-align: center;">155,039</td> <td style="text-align: center;">155,039</td> <td style="text-align: center;">0.15%</td> <td style="text-align: center;">500,000</td> </tr> <tr> <td>Mr Geoff Pocock</td> <td style="text-align: center;">108,539</td> <td style="text-align: center;">208,539</td> <td style="text-align: center;">0.21%</td> <td style="text-align: center;">1,200,000</td> </tr> <tr> <td>Prof. Teoh Swee Hin</td> <td style="text-align: center;">-</td> <td style="text-align: center;">7,729,309</td> <td style="text-align: center;">7.6%</td> <td style="text-align: center;">1,500,000</td> </tr> <tr> <td>Mr Stuart Carmichael</td> <td style="text-align: center;">2,116,281<sup>1</sup></td> <td style="text-align: center;">2,116,281</td> <td style="text-align: center;">2.1%</td> <td style="text-align: center;">500,000</td> </tr> </tbody> </table> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>Comprised of 1,000,001 Shares held by Stuart Carmichael in his personal capacity and 1,116,280 Shares held by Ventnor Capital and its nominees, of which Stuart Carmichael is a director and substantial shareholder.</li> <li>Key Management Options exercisable at \$0.25 each and expiring on 30 June 2022. For further information, refer to Section 10.3.</li> </ol>	Director	Existing Shares	No of Shares at completion of the Offers	% of Shares at completion of the Offers	Options <sup>2</sup>	Mr Brett Sandercock	155,039	155,039	0.15%	500,000	Mr Geoff Pocock	108,539	208,539	0.21%	1,200,000	Prof. Teoh Swee Hin	-	7,729,309	7.6%	1,500,000	Mr Stuart Carmichael	2,116,281 <sup>1</sup>	2,116,281	2.1%	500,000	Section 5.5
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<b>What important contracts with related parties is the Company a party to?</b>	<p>The Company has entered into the following related party transactions:</p> <ol style="list-style-type: none"> <li>executive services agreements with Goh Khoon Seng and Geoff Pocock;</li> <li>letters of appointment with each of the Directors on standard terms;</li> <li>deeds of Indemnity, Insurance and Access with each of the Directors on standard terms;</li> <li>short form share sale agreements with Professor Teoh Swee Hin and Goh Khoon Seng, who are each a Vendor (refer to Section 9.2 for details);</li> <li>Corporate Advisor Mandate with Ventnor Capital, a business controlled by Stuart Carmichael; and</li> <li>outstanding loan arrangement between Osteopore and Professor Teoh Swee Hin (through an unrelated entity to Osteopore, Irenne Pte Ltd).</li> </ol>	Sections 5.7, 9.2, 9.4, 9.5, 9.12 and 9.13																									

Topic	Summary	More information																														
<p><b>Who will be the substantial holders of the Company?</b></p>	<p>Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows.</p> <table border="1" data-bbox="491 528 1251 696"> <thead> <tr> <th>Name</th> <th>Shares</th> <th>% of Shares</th> </tr> </thead> <tbody> <tr> <td>Celery Pty Ltd</td> <td>1,116,279</td> <td>28.24%</td> </tr> <tr> <td>SBV Capital Pty Ltd<sup>1</sup></td> <td>1,000,001</td> <td>25.29%</td> </tr> <tr> <td>Altor Capital Management Pty Ltd</td> <td>200,000</td> <td>5.06%</td> </tr> </tbody> </table> <p><b>Notes:</b></p> <p>1. Mr Stuart Carmichael, a Director of the Company, is a director and shareholder of SBV Capital Pty Ltd.</p> <p>Based on the information known as at the date of this Prospectus, the Public Offer and Secondary Offers being fully subscribed, and completion of the Consideration Offer, on Admission, the following persons will have an interest in 5% or more of the Shares on issue:</p> <table border="1" data-bbox="491 943 1251 1189"> <thead> <tr> <th>Name</th> <th>Shares</th> <th>% of Shares</th> </tr> </thead> <tbody> <tr> <td>The Rain Maker Mgmt Pte Ltd</td> <td>16,785,927</td> <td>16.6%</td> </tr> <tr> <td>Goh Khoon Seng</td> <td>10,801,769</td> <td>10.7%</td> </tr> <tr> <td>Henry Yu</td> <td>9,084,936</td> <td>9.0%</td> </tr> <tr> <td>Professor Teoh Swee Hin</td> <td>7,729,309</td> <td>7.6%</td> </tr> <tr> <td>Marcus Liew</td> <td>7,142,785</td> <td>7.1%</td> </tr> </tbody> </table>	Name	Shares	% of Shares	Celery Pty Ltd	1,116,279	28.24%	SBV Capital Pty Ltd <sup>1</sup>	1,000,001	25.29%	Altor Capital Management Pty Ltd	200,000	5.06%	Name	Shares	% of Shares	The Rain Maker Mgmt Pte Ltd	16,785,927	16.6%	Goh Khoon Seng	10,801,769	10.7%	Henry Yu	9,084,936	9.0%	Professor Teoh Swee Hin	7,729,309	7.6%	Marcus Liew	7,142,785	7.1%	<p>Section 10.4</p>
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<b>What fees are payable to the Lead Manager and Corporate Advisor?</b>	Pursuant to the Lead Manager Mandate and the Corporate Advisor Mandate, the Company and Osteopore has or will pay to Alto Capital and Ventnor Capital the following fees in connection with corporate advisory services, pre-initial public offer capital raising and the Public Offer.					Sections 1.7, 9.3 and 9.4																														
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1. Comprised of corporate advisory services linked to business evaluation, ASX suitability review, development and review of strategic plan, preparation of information memoranda, review and adoption of corporate governance policies, selection of IPO advisors, preparation of investor presentations, assistance with transaction structure and pricing, engagement with ASX and Prospectus preparation over the period November 2017 to the date of this Prospectus. Stuart Carmichael is a director and shareholder of Ventnor Capital.																																				
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4. Alto Capital is the Lead Manager and reserves the right to allocate a part of these funds to third-parties who assist with the Public Offer. The Lead Manager Mandate is summarised in Section 9.3.																																				
5. Ventnor Capital is corporate advisor to the Company and is entitled to receive a \$100,000 success fee on Admission. Ventnor Capital's Corporate Advisor Mandate is summarised in Section 9.4.																																				

Topic	Summary	More information																																																				
<p><b>What are the Lead Manager and Corporate Advisor's interests in the Securities of the Company?</b></p>	<p>As at the date of this Prospectus, Alto Capital, Ventnor Capital and Ventnor Securities (and their respective associates) have a relevant interest in the following Securities:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Shares</th> <th style="text-align: center;">% <sup>1</sup></th> <th style="text-align: center;">Options</th> </tr> </thead> <tbody> <tr> <td>Alto Capital</td> <td style="text-align: center;">165,514</td> <td style="text-align: center;">4.2%</td> <td style="text-align: center;">Nil</td> </tr> <tr> <td>Ventnor Capital</td> <td style="text-align: center;">2,116,281</td> <td style="text-align: center;">53.5%</td> <td style="text-align: center;">500,000</td> </tr> <tr> <td>Ventnor Securities</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">Nil</td> </tr> </tbody> </table> <p><b>Notes:</b></p> <p>1. Based on 3,953,494 Shares and 7,200,000 Options being on issue at the date of this Prospectus.</p> <p>Based on the information available to the Company as at the date of the Prospectus regarding Alto Capital, Ventnor Capital and Ventnor Securities (and their respective associates') intentions in relation to the Public Offer, they will have a relevant interest in the following Securities on Admission:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Shares</th> <th style="text-align: center;">% <sup>1</sup></th> <th style="text-align: center;">Options</th> </tr> </thead> <tbody> <tr> <td>Alto Capital</td> <td style="text-align: center;">1,165,514</td> <td style="text-align: center;">1.2%</td> <td style="text-align: center;">2,500,000</td> </tr> <tr> <td>Ventnor Capital</td> <td style="text-align: center;">2,116,281</td> <td style="text-align: center;">2.1%</td> <td style="text-align: center;">500,000</td> </tr> <tr> <td>Ventnor Securities</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">0%</td> <td style="text-align: center;">Nil</td> </tr> </tbody> </table> <p><b>Notes:</b></p> <p>1. Based on 101,230,502 Shares and 9,700,000 Options being on issue on Admission.</p> <p>This assumes that Alto Capital and its associates will take up 1,000,000 Shares under the Public Offer and Ventnor Capital (and its associates) will not take up Shares under the Public Offer.</p> <p>Other than as detailed below, Alto Capital and Ventnor Capital have not participated in a placement of Securities by the Company in the 2 years preceding lodgement of this Prospectus.</p> <p>Alto Capital (and its associates) have been issued Shares as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Placement Round</th> <th style="text-align: center;">Number of Shares</th> <th style="text-align: center;">Consideration Paid</th> <th style="text-align: center;">Date Issued</th> </tr> </thead> <tbody> <tr> <td>Seed Raising</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Pre-initial public offer round</td> <td style="text-align: center;">165,514</td> <td style="text-align: center;">\$21,351</td> <td style="text-align: center;">19 June 2019</td> </tr> <tr> <td>Public Offer</td> <td style="text-align: center;">1,000,000</td> <td style="text-align: center;">\$200,000</td> <td style="text-align: center;">-</td> </tr> <tr> <td><b>TOTAL</b></td> <td style="text-align: center;"><b>1,165,514</b></td> <td style="text-align: center;"><b>\$221,351</b></td> <td style="text-align: center;">-</td> </tr> </tbody> </table>		Shares	% <sup>1</sup>	Options	Alto Capital	165,514	4.2%	Nil	Ventnor Capital	2,116,281	53.5%	500,000	Ventnor Securities	Nil	0%	Nil		Shares	% <sup>1</sup>	Options	Alto Capital	1,165,514	1.2%	2,500,000	Ventnor Capital	2,116,281	2.1%	500,000	Ventnor Securities	Nil	0%	Nil	Placement Round	Number of Shares	Consideration Paid	Date Issued	Seed Raising	Nil	Nil	-	Pre-initial public offer round	165,514	\$21,351	19 June 2019	Public Offer	1,000,000	\$200,000	-	<b>TOTAL</b>	<b>1,165,514</b>	<b>\$221,351</b>	-	<p>Section 1.7</p>
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<b>What is the Public Offer Price?</b>	\$0.20 per Share	Section 1.1																								
<b>What is the minimum subscription amount under the Public Offer?</b>	The Minimum Subscription for the Public Offer is 26,250,000 Shares at \$0.20 per Share to raise \$5,250,000 before costs. No oversubscriptions will be accepted.	Section 1.2																								
<b>Will the Shares be quoted?</b>	The Company applied to the ASX for its admission to the Official List within seven days of the date of the Original Prospectus.	"Corporate Directory" and Section 1.12																								
<b>What is the purpose of this Prospectus?</b>	The Offers are being conducted to: <ul style="list-style-type: none"> <li>(a) raise \$5,250,000 pursuant to the Public Offer (before associated costs of the Offers);</li> <li>(b) assist the Company to meet requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission; and</li> <li>(c) position the Company to seek to achieve the objectives detailed in Section 2.</li> </ul>	Section 1.3																								

Topic	Summary	More information														
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<p><b>Are there any escrow arrangements?</b></p>	<p>Subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, certain Securities on issue may be classified by ASX as restricted Securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.</p> <p>Prior to the Company's Shares being admitted to quotation on the ASX, the Company will enter into escrow agreements with the recipients of any restricted Securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of any Securities required to be held in escrow.</p> <p>During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.</p>	<p>Section 1.17</p>														
<p><b>What is the Public Offer period?</b></p>	<table border="1" data-bbox="491 1328 1241 1608"> <thead> <tr> <th colspan="2" data-bbox="499 1328 1233 1368">Important dates</th> </tr> </thead> <tbody> <tr> <td data-bbox="499 1368 922 1408">Prospectus lodged</td> <td data-bbox="922 1368 1233 1408">25 July 2019</td> </tr> <tr> <td data-bbox="499 1408 922 1449">Opening Date</td> <td data-bbox="922 1408 1233 1449">26 July 2019</td> </tr> <tr> <td data-bbox="499 1449 922 1489">Closing Date</td> <td data-bbox="922 1449 1233 1489">23 August 2019</td> </tr> <tr> <td data-bbox="499 1489 922 1529">New Shares issued</td> <td data-bbox="922 1489 1233 1529">30 August 2019</td> </tr> <tr> <td data-bbox="499 1529 922 1570">Holding statements sent</td> <td data-bbox="922 1529 1233 1570">5 September 2019</td> </tr> <tr> <td data-bbox="499 1570 922 1608">Expected trading</td> <td data-bbox="922 1570 1233 1608">19 September 2019</td> </tr> </tbody> </table> <p>The above dates are indicative only and may change without notice.</p>	Important dates		Prospectus lodged	25 July 2019	Opening Date	26 July 2019	Closing Date	23 August 2019	New Shares issued	30 August 2019	Holding statements sent	5 September 2019	Expected trading	19 September 2019	<p>"Indicative Timetable"</p>
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<p><b>Is the Public Offer underwritten?</b></p>	<p>No, the Public Offer is not underwritten.</p>	<p>Section 1.18</p>														

Topic	Summary	More information
<p><b>What is being offered under the Secondary Offers and what are the purposes of the Secondary Offers?</b></p>	<p>This Prospectus also contains the Secondary Offers, comprising:</p> <p>(a) 71,027,008 Shares to the Vendors (or their nominee(s)) (<b>Consideration Offer</b>); and</p> <p>(b) 2,500,000 Options to Alto Capital (or their respective nominee(s)) (<b>Lead Manager Offer</b>).</p> <p>The purposes of the Secondary Offers are to remove the need for an additional disclosure document to be issued upon the sale of any Securities that are issued under the Secondary Offers.</p> <p>The Secondary Offers are made to the Vendors, and Alto Capital (or their respective nominee(s)). You should not complete an Application Form in relation to the Secondary Offers unless specifically directed to do so by the Company.</p>	<p>Section 1.4</p>
<p><b>Additional information</b></p>		
<p><b>Will the Company be adequately funded after completion of the Public Offer?</b></p>	<p>The Directors are satisfied that on completion of the Public Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.</p>	<p>Section 1.6</p>
<p><b>What rights and liabilities attach to the Securities on issue?</b></p>	<p>The rights and liabilities attaching to the Shares are described in Section 10.1. The rights and liabilities attaching to Options are described in Section 10.3.</p>	<p>Sections 10.1 and 10.3</p>
<p><b>Who is eligible to participate in the Offers?</b></p>	<p>The Public Offer is open to all investors with a registered address in Australia.</p> <p>In addition, subject to the provisions in Section 1.15, certain investors located in Singapore, Hong Kong and Malaysia are also eligible to participate in the Public Offer.</p> <p>Only Alto Capital (or its nominees) may accept the Lead Manager Offer.</p> <p>Only the Vendors (or their nominees) may accept the Consideration Offer.</p>	<p>Sections 1.10 and 1.16</p>
<p><b>How do I apply for Shares under the Public Offer?</b></p>	<p>Applications for Shares under the Public Offer must be made using the Application Form (in respect to the Public Offer) or by completing a BPAY payment online.</p> <p>Applications for Shares must be for a minimum of 10,000 Shares (i.e. \$2,000) and thereafter in multiples of 1,000 Shares and payment for the Shares must be paid in full at the issue price of \$0.20 per Share.</p> <p>All Application Forms (in respect to the Public Offer) must be completed in accordance with the instructions accompanying the Application Form (in respect to the Public Offer) and must be accompanied by a cheque in Australian dollars for the full amount of the application being \$0.20 per Share.</p> <p>Cheques must be made payable to "Osteopore Limited" and should be crossed "Not Negotiable".</p>	<p>Section 1.10</p>



Topic	Summary	More information
<b>What is the allocation policy?</b>	<p>The Directors, in conjunction with the Lead Manager, will allocate Shares at their sole discretion with a view to:</p> <ul style="list-style-type: none"> <li>(a) obtaining an appropriate spread of Shareholders to satisfy Listing Rule 1.1 condition 8;</li> <li>(b) recognising the ongoing support of existing Shareholders;</li> <li>(c) identifying new potential long-term or cornerstone investors; and</li> <li>(d) ensuring an appropriate Shareholder base for the Company going forward.</li> </ul> <p>There is no assurance that any Applicant will be allocated any Shares for which the Applicant has applied.</p>	Section 1.14
<b>When will I receive confirmation that my Application has been successful?</b>	<p>Holding statements confirming allocations under the Public Offer will be sent to successful applicants as required by ASX. Holding statements are expected to be issued to Shareholders on or about 12 August 2019.</p>	"Indicative Timetable"
<b>What is the Company's dividend policy?</b>	<p>The Board can provide no guarantee as to the extent of future dividends, as these will depend on, among other things, the actual levels of profitability and the financial and taxation position of the Company at the time.</p>	Section 2.13
<b>How can I find out more about the Prospectus or the Offers?</b>	<p>By speaking to your sharebroker, solicitor, accountant or other independent professional adviser or by contacting the Company Secretary on +61 8 9482 0500.</p>	"Corporate Directory"

## 1. Details of Offers

### 1.1 The Public Offer

This Prospectus invites investors to apply for 26,250,000 Shares at an issue price of \$0.20 each to raise \$5,250,000 (before associated costs) (**Public Offer**).

The Shares to be issued pursuant to the Public Offer are of the same class and will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 10.1.

Applications for Shares under the Public Offer must be made on the Public Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares under the Public Offer should refer to Section 1.10 for further details and instructions.

### 1.2 Minimum Subscription

The minimum subscription for the Public Offer is 26,250,000 Shares at \$0.20 per Share to raise \$5,250,000 before costs (**Minimum Subscription**). None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within 3 months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

No oversubscriptions will be accepted.

### 1.3 Purpose of the Public Offer

The purposes of the Public Offer are to:

- (a) raise approximately \$5,250,000 (before associated costs);
- (b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the Official List; and
- (c) position the Company to seek to achieve the objectives detailed in Section 2.

### 1.4 Secondary Offers

This Prospectus also includes an offer of:

- (a) 71,027,008 Shares to be issued to the Vendors (or their nominees) pursuant to the Acquisition under the Consideration Offer; and
- (b) 2,500,000 Options to be issued to Alto Capital (or its respective nominee(s)) under the Lead Manager Offer,

(each being a **Secondary Offer**).

The terms of the Shares offered under the Consideration Offer are summarised in Section 10.1. The Shares offered under the Consideration Offer will rank equally with the existing Shares on issue.

The terms of the Options offered under the Lead Manager Offer are summarised in Section 10.3.

Each of the Secondary Offers is personal to the Vendors and Alto Capital (or their respective nominee(s)), as the case may be, and an Application Form in respect of the Consideration Offer and/or the Lead Manager Offer will be issued to the Vendors and Alto Capital as applicable together with a copy of this Prospectus.

As such, Securities offered under those Secondary Offers will be allocated and issued to those parties (or their respective nominees) only. Subject to satisfaction of the Conditions, allocations under the Secondary Offers are guaranteed.

The Securities issued under the Secondary Offers may be subject to escrow under the ASX Listing Rules. Please refer to Section 1.17 for a summary of the likely escrow position.

## 1.5 Conditional Offers

The Offers under this Prospectus are conditional upon the following events occurring:

- the Company raising the Minimum Subscription pursuant to the Public Offer;
- to the extent required by ASX or the Listing Rules, each person entering into a restriction agreement imposing such restrictions on trading on the Company's securities as mandated by the Listing Rules;
- completion occurring under the Implementation Agreement (refer to Section 9.1); and
- ASX providing the Company with a list of conditions which, once satisfied, will result in ASX admitting the Company to the Official List.

If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Offers in accordance with the Corporations Act.

## 1.6 Proposed use of Funds

Following the Public Offer, it is anticipated that the following funds will be available to the Company:

Source of funds	Amount \$
Existing cash reserves <sup>1</sup>	254,001
Cash reserves of Osteopore International <sup>2</sup>	279,246
Proceeds from the Public Offer	5,250,000
<b>Total funds available</b>	<b>5,783,247</b>

### Notes:

- Refer to the Investigating Accountant's Report set out in Section 7 of this Prospectus for further details.
- The cash reserves of Osteopore International Pte Ltd are to be acquired by the Company following completion of the Acquisition. The funds are held in Singapore dollars and be converted to Australian dollars at an assumed exchange rate of 1.05 SGD: 1 AUD. Refer to the Investigating Accountant's Report set out in Section 7 of this Prospectus for further details.

The following table shows the intended use of funds from the Public Offer, together with the existing cash reserves in the two year period following admission of the Company to the Official List:

Proposed use of funds – Year 1	\$	%
International expansion	991,933	17
Research and development/patents	264,000	5
Regulatory approval – new markets	222,500	4
Regulatory approval – new products	222,500	4
General administration fees and working capital <sup>2</sup>	787,230	14
Estimated expenses of the Offers <sup>1</sup>	704,956	12
<b>Total Expenditure – Year 1</b>	<b>3,193,119</b>	<b>55</b>

Proposed use of funds – Year 2	\$	%
International expansion	1,008,066	17
Research and development/patents	277,000	5
Regulatory approval – new markets	322,500	6
Regulatory approval – new products	227,500	4
General administration fees and working capital <sup>2</sup>	755,062	13
<b>Total Expenditure – Year 2</b>	<b>2,590,128</b>	<b>45</b>
<b>Total Funds Allocated</b>	<b>5,783,247</b>	<b>100</b>

### Notes:

- Total costs of the Offers are estimated to be \$704,956 in accordance with Section 10.7. The costs of the Offers include capital raising fees of 6% on all monies raised being \$365,000 upon completion of the Public Offer.
- General administration fees and working capital includes a portion of remuneration of executive management, directors' fees, audit fees, insurance costs, legal fees, ASX fees, share registry costs, an allocation for office and other corporate overhead and is otherwise unallocated. General working capital may also be used to accelerate research and development. As set out in Section 9.12, a loan of S\$294,000 has previously been provided to Osteopore by Professor Teoh Swee Hin, a director of the Company (through an unrelated entity of Osteopore, Irenne Pte Ltd). The loan is repayable on demand and interest free. In the event the loan is called it will be repaid from working capital.
- As set out in Section 2.12, the Company may also have access to grant funding (noting that these potential funds are not included in the source of funds table above as there is no guarantee such funds will be available to the Company).

Shareholders should note that the above estimated expenditures will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities. Due to market conditions, the development of new opportunities and/or any number of other factors (including the risk factors outlined in Section 4), actual expenditure levels may differ significantly from the above estimates.

The Board believes that the funds raised from the Public Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus.

The use of further equity funding or Share placements will be considered by the Board where it is appropriate to accelerate a specific project or strategy.

Based on the intended use of funds detailed above, the amounts raised pursuant to the Public Offer will provide the Company sufficient funding for approximately 2 years' operations. The Company may require further financing in the future. See Section 4.1(n) for further details about the risks associated with the Company's future capital requirements.

## 1.7 Advisors' interests in the Public Offer

Alto Capital (also referred to in this Prospectus as the "Lead Manager") is lead manager to the Company in respect of the Public Offer. Alto Capital is party to the Lead Manager Mandate that is summarised in Section 9.3.

Ventnor Capital is corporate advisor to the Company. Ventnor Capital is party to the Corporate Advisor Mandate that is summarised in Section 9.4.

Ventnor Securities Pty Ltd is an entity controlled by Stuart Carmichael. Stuart Carmichael is a director and shareholder of Ventnor Capital.

### (a) Fees payable to advisors

Pursuant to the Lead Manager Mandate and the Corporate Advisor Mandate, the Company has or will pay to Alto Capital and Ventnor Capital the following fees in connection with the pre-IPO capital raising and the Public Offer.

	Corporate Advisory Services (\$)	Pre-IPO Corporate Advisory Services (\$)	Pre-IPO Raising Fee (\$)	IPO Corporate Advisory Services (\$)	Public Offer Fee <sup>7</sup> (\$)
Alto Capital	Nil	Nil	8,100 <sup>2</sup>	Nil	365,000 <sup>4</sup>
Ventnor Capital	36,433 <sup>1</sup>	119,713 <sup>1</sup>	Nil	40,000 <sup>1</sup>	100,000 <sup>5</sup>
Ventnor Securities		Nil	4,920 <sup>3</sup>	Nil	Nil
<b>Total</b>	<b>36,433</b>	<b>119,713</b>	<b>13,020</b>	<b>40,000</b>	<b>465,000</b>

#### Notes:

1. Comprised of corporate advisory services linked to business evaluation, ASX suitability review, development and review of strategic plan, preparation of information memoranda, review and adoption of corporate governance policies, selection of IPO advisors, preparation of investor presentations, assistance with transaction structure and pricing, engagement with ASX and prospectus preparation over the period November 2017 to the date of this Prospectus. Stuart Carmichael is a director and shareholder of Ventnor Capital.
2. Alto Capital received a capital raising fee of 6% of pre-initial public offer funds.
3. Ventnor Securities is an entity controlled by Stuart Carmichael. Ventnor Securities received a capital raising fee of 6% of pre-initial public offer funds.
4. Alto Capital is Lead Manager. Alto Capital reserve the right to allocate a part of these funds to third-parties who assist with the Public Offer. The Lead Manager Mandate is summarised in Section 9.3.
5. Ventnor Capital is corporate advisor to the Company and is entitled to receive a \$100,000 success fee on Admission. Ventnor Capital's Corporate Advisor Mandate is summarised in Section 9.4.

## (b) Advisors' interests in Securities

- (i) As at the date of this Prospectus, Alto Capital, Ventnor Capital and Ventnor Securities (and their respective associates) have a relevant interest in the following Securities:

	Shares	% <sup>1</sup>	Options
Alto Capital	165,514	4.2%	Nil
Ventnor Capital	2,116,281	53.5%	500,000
Ventnor Securities	Nil	0%	Nil

### Notes:

- Based on 3,953,494 Shares and 7,200,000 Options being on issue at the date of this Prospectus not taking into account the Consideration Shares.
- Based on the information available to the Company as at the date of the Prospectus regarding Alto Capital, Ventnor Capital and Ventnor Securities (and their respective associates') intentions in relation to the Public Offer, they will have a relevant interest in the following Securities on Admission:

	Shares	% <sup>1</sup>	Options
Alto Capital	1,165,514	1.2%	2,500,000
Ventnor Capital	2,116,281	2.1%	500,000
Ventnor Securities	Nil	0%	Nil

### Notes:

- Based on 101,230,502 Shares and 9,700,000 Options being on issue following completion of the Offers on the terms set out in this Prospectus.
- This table assumes that Alto Capital and its associates will take up 1,000,000 Shares under the Public Offer and 2,500,000 Options under the Lead Manager Offer and Ventnor Capital (and its associates) will not take up Shares under the Public Offer.

## (c) Advisors' participation in previous placements

Other than as detailed in below, Alto Capital and Ventnor Capital have not participated in a placement of Securities by the Company in the 2 years preceding lodgement of this Prospectus.

Alto Capital (and its associates) have been issued Shares as follows:

Placement Round	Number of Shares	Consideration Paid	Date Issued
Seed Raising	Nil	Nil	-
Pre-initial public offer round	165,514	\$21,351	19 June 2019
Public Offer	1,000,000	\$200,000	-
<b>Total</b>	<b>1,165,514</b>	<b>\$221,351</b>	-

Ventnor Capital (and its associates) have been issued Shares as follows:

Placement Round	Number of Shares	Consideration Paid	Date Issued
Incorporation	2	Nil	11 December 2018
Seed Raising	2,000,000	\$2,000	6 June 2019
Pre-initial public offer round	116,279	\$15,000	19 June 2019
Public Offer	Nil	Nil	-
<b>Total</b>	<b>2,116,281<sup>1</sup></b>	<b>\$17,000</b>	-

### Notes:

- Comprised of 1,116,280 Shares subscribed for by Ventnor Capital and its nominees and 1,000,001 of which were subscribed for by Stuart Carmichael. Mr Stuart Carmichael is a director of Ventnor Capital and a Director of the Company.

## 1.8 Capital Structure

On the basis that the Company completes the Offers on the terms set out in this Prospectus, the Company's capital structure will be as follows:

	Shares	%	Options	%
On issue as at the date of this Prospectus	3,953,494	3.9	7,200,000 <sup>1</sup>	74.2
Consideration Offer	71,027,008	70.2	-	-
Lead Manager Offer	-	-	2,500,000 <sup>2</sup>	25.8
Public Offer	26,250,000	25.9	-	-
<b>Total</b>	<b>101,230,502</b>	<b>100</b>	<b>9,700,000</b>	<b>100</b>

### Notes:

1. The Key Management Options have been issued to key management personnel (or their nominees) and Board members with each Option exercisable at \$0.25 each and expiring on 30 June 2022. For further information, see Section 10.3.
2. The Lead Manager Options will be issued under the Lead Manager Offer to Alto Capital (or their nominees) at an issue price of \$0.0001 each, with each Option exercisable at \$0.25 each and expiring 30 June 2022. For further information, see Section 10.3.

## 1.9 Forecasts

The Directors have considered the matters detailed in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

The Directors consequently believe that, given these inherent uncertainties, it is not possible to include reliable forecasts in this Prospectus.

Refer to Section 2 for further information in respect to the Company's proposed activities.

## 1.10 Applications

### (a) General

Applications for Securities under the Offers can only be made using the relevant Application Form accompanying this Prospectus. For further information on how to complete the Application Form, Applicants should refer to the instructions set out on the form.

No brokerage, stamp duty or other costs are payable by Applicants. Cheques must be made payable to "Osteopore Limited" and should be crossed "Not Negotiable". All Application Monies will be paid into a trust account.

Applicants wishing to provide Application Monies via electronic funds transfer should contact the Company on +61 8 9482 0500.

BPAY is also available for electronic payment. Applicants wishing to pay by BPAY should complete the online Application Form accompanying the electronic version of this Prospectus which is available via a link at [www.osteopore.com](http://www.osteopore.com) and follow the instructions on the online Application Form (which includes the Biller Code and your unique Customer Reference Number (**CRN**)).

You should be aware that you will only be able to make a payment via BPAY if you are the holder of an account with an Australian financial institution which supports BPAY transactions.

When completing your BPAY payment, please make sure you use the specific Biller Code and your unique CRN provided on the online Application Form. If you do not use the correct CRN your Application will not be recognised as valid. It is your responsibility to ensure that payments are received by 5.00pm (Sydney time) on the Closing Date. Your bank, credit union or building society may impose a limit on the amount which you can transact on BPAY, and policies with respect to processing BPAY transactions may vary between banks, credit unions or building societies. The Company accepts no responsibility for any failure to receive

application monies or payments by BPAY before the Closing Date arising as a result of, among other things, processing of payments by financial institutions.

Completed Application Forms and accompanying cheques (for Applications under the Public Offer) or confirmation of electronic funds transfer or BPAY must be received by the Company before 5.00pm (Sydney time) on the relevant Closing Date by either being posted or delivered to the following addresses:

By Hand	By Post
<b>Osteopore Limited</b> C/- Link Market Services Limited 1A Homebush Bay Drive Rhodes NSW 2138	<b>Osteopore Limited</b> C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235

An original, completed and lodged Application Form together with a cheque for the Application Monies (for Applications under the Public Offer), constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque for the Application Monies.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of Shares pursuant to this Prospectus. The return of a completed Application Form with the requisite Application Monies (under the Public Offer) will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained and that the Applicant:

- (i) agrees to be bound by the terms of the relevant offer;
- (ii) declares that all details and statements in the Application Form are complete and accurate;

- (iii) declares that, if they are an individual, they are over 18 years of age and have full legal capacity and power to perform all its rights and obligations under the Application Form;
- (iv) authorises the Company and its respective officers or agents, to do anything on their behalf necessary for the Securities to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;
- (v) acknowledges that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Securities are suitable for them given their investment objectives, financial situation or particular needs; and
- (vi) acknowledges that the Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and accordingly, the Securities may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws.

The Offers may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Offers or accept late Applications.

#### (b) Public Offer

Applications under the Public Offer must be for a minimum of 10,000 Shares (\$2,000) and then in increments of 1,000 Shares (\$200).

Applications for Shares under the Public Offer must be made on the Public Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares should refer to Section 1.10(a) and the Public Offer Application Form for further details and instructions.

### (c) Consideration Offer

Only the Vendors (or its nominees) may accept the Consideration Offer. A personalised application form in relation to the Consideration Offer will be issued to the Vendors together with a copy of this Prospectus (**Consideration Offer Application Form**). The Company will only provide a Consideration Offer Application Form to the Vendors. No monies are payable for the Consideration Shares under the Consideration Offer.

### (d) Lead Manager Offer

Only Alto Capital (or its nominees) may accept the Lead Manager Offer. A personalised application form in relation to the Lead Manager Offer will be issued to Alto Capital together with a copy of this Prospectus (**Lead Manager Offer Application Form**). The Company will only provide a Lead Manager Offer Application Form to Alto Capital. No monies are payable for the Options under the Lead Manager Offer.

## 1.11 CHESSE and issuer sponsorship

The Company will apply to participate in CHESSE. All trading on the ASX will be settled through CHESSE. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESSE in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESSE sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESSE, the Company will not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESSE (for Shareholders who elect to hold Shares on the CHESSE sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of existing Shares (where applicable) and the number of new Shares allotted under this Prospectus and provide details of a Shareholder's holder identification

number (for Shareholders who elect to hold Shares on the CHESSE sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

## 1.12 ASX Listing and Official Quotation

Within 7 days of the date of the Original Prospectus, the Company applied to ASX for admission to the Official List and for the Shares, including those offered by this Prospectus, to be granted Official Quotation (apart from any Shares that may be designated by ASX as restricted securities).

If ASX does not grant permission for Official Quotation within three months after the date of the Original Prospectus (or within such longer period as may be permitted by ASIC) none of the Shares offered by this Prospectus will be allotted and issued. If no allotment and issue is made, all Application Monies will be refunded to Applicants (without interest) as soon as practicable.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Shares offered pursuant to this Prospectus.

## 1.13 Application Monies to be held in trust

Application Monies will be held in trust for Applicants until the allotment of the Shares under the Public Offer. Any interest that accrues will be retained by the Company.

If the Shares to be issued under this Prospectus are not admitted to quotation within a period of three months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) as soon as practicable to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).



## 1.14 Allocation and issue of Shares

The Directors, in conjunction with the Lead Manager, will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward.

There is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which it has applied. The Company reserves the right to reject any Application or to issue a lesser number of Shares than those applied for. Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date.

Subject to the matters in Section 1.10, Securities under the Offers are expected to be allotted on the Allotment Date. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under the Public Offer. Applicants who sell Shares before they receive their holding statements do so at their own risk.

## 1.15 Risks

Prospective investors should be aware that an investment in the Company should be considered highly speculative and involves a number of risks inherent in the various business segments of the Company. Section 4 details the key risk factors which prospective investors should be aware of. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company please contact your stockbroker, accountant or other independent adviser.

## 1.16 Overseas Applicants

No action has been taken to register or qualify the Securities, or the Offers, or otherwise to permit the offering of the Securities, in any jurisdiction outside of Australia.

The distribution of this Prospectus within jurisdictions outside of Australia may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws.

This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus. In particular, this Prospectus may not be distributed to any person, and the Shares under the Public Offer may not be offered or sold, in any country outside Australia except to the extent permitted below.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained.

### (a) Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the Shares under the Public Offer have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

**(b) Malaysia**

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Shares. The Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act.

**(c) Singapore**

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's Shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### **1.17 Escrow arrangements**

ASX will classify certain existing Securities (including the Securities issued under the Lead Manager Offer) on issue in the Company (as opposed to those to be issued under this Prospectus) as being subject to the restricted securities provisions of the Listing Rules. Classified Securities would be required to be held in escrow for up to 24 months and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

Prior to the Company's Shares being admitted to quotation on the ASX, the Company will enter into escrow agreements with the recipients of any restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of any Securities required to be held in escrow.

As at the date of this Prospectus the Company expects approximately 74,000,000 Shares and 9,700,000 Options to be subject to escrow for up to 24 months.

The Company's free float at the time of Admission will be not less than 20%.

### **1.18 Underwriting**

The Offers are not underwritten.

### **1.19 Lead Manager**

Alto Capital has been appointed as Lead Manager to the Public Offer on the terms and conditions summarised in Section 9.3 of this Prospectus.

### **1.20 Withdrawal**

The Directors may at any time decide to withdraw this Prospectus and the Offers in which case the Company will return all Application Monies (without interest) within 28 days of giving notice of their withdrawal.

### **1.21 Privacy disclosure**

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess Applications for Shares, to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

### **1.22 Paper Copies of Prospectus**

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the Public Offer Application Form to investors, upon request and free of charge. Requests for a paper copy from should be directed to the Company Secretary on +61 8 9492 0500.

### **1.23 Enquiries**

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Questions relating to the Offers and the completion of an Application Form can be directed to the Company Secretary at on +61 8 9482 0500.

## 2. Company and Technology Overview

### 2.1 Company and Business Overview

Osteopore specialises in the production of 3D printed bioresorbable implants that are used in conjunction with surgical procedures to assist with the natural stages of bone healing.

Osteopore's products are manufactured in-house using 3D printing technology that is precise and allows for customisation of shape and geometry.

The unique 3D printed biomimetic micro architecture of the 3D scaffolding which is contained within the Osteopore products provides for infiltration of cells and blood vessels, both of which play key roles in wound healing and tissue repair.

Osteopore products are made of a US FDA approved polymer called polycaprolactone (PCL). PCL is bioresorbable, malleable, slow-degrading and possesses mechanical strength similar to trabecular bone.

Osteopore's Osteoplug, Osteomesh and Osteostrip products have no reports of undesirable side-effects based on clinical trials undertaken in experimental animal subjects and human participants and when used according to their approved indications. The findings of the clinical trials have been published in leading medical journals including Orbit, British Journal of Ophthalmol and Tissue Engineering. The publications noted that there were no signs of marked inflammation or infection, migration or displacement of the implant in a series of patient trials.

Osteopore currently has three products, Osteoplug, Osteomesh and Osteostrip. All products are US FDA (510k) cleared and CE Mark approved for cranial facial application. All three products have been commercialised and are generating revenue. Refer to Section 2.8 for details of the Company's business and revenue model, as well as the financial information set out in Section 6.

Osteopore has protected its technology with patents in key markets including US (filament extrusion, scaffold micro architecture, Burr Hole covers, long bone patent), Europe (Burr Hole covers), Asia (Burr Hole covers), Singapore (long bone), South Korea (long bone) and Australia (Burr Hole covers). In addition, Osteopore has a number of trade secrets covering the construction of the 3D printer micro-extruder, the algorithms to convert 3D images to 3D printing codes and process parameters and quality controls.

Please see Section 8 for further details on Osteopore's intellectual property.

### 2.2 Corporate Structure

The Company is a public company registered in Australia on 11 December 2018. Other than in its capacity as the ultimate holding company for Osteopore on completion of the Acquisition, it is currently not involved in any business activities and does not have any material assets.

The corporate structure of the Company on completion of the Offers and on completion of the Acquisition will be as follows:

- (a) Osteopore Limited (parent entity);
- (b) Osteopore International Pte Ltd (wholly owned subsidiary), a company registered in Singapore on 6 November 2003; and
- (c) Osteopore Medico Pte Limited (wholly owned subsidiary), a company registered in Singapore on 19 September 2007. Osteopore Medico Pte Limited previously held a 49% shareholding in Osteopore Korea Co. Ltd (a Korean company which was dissolved on 5 December 2016).

A diagram setting out the Osteopore Group structure on completion of the Offers and on completion of the Acquisition is set out below:



It is anticipated that all revenues and profits generated from the existing operations of Osteopore will be retained within Osteopore International Pte Ltd.

The Company does not foresee any risks with this revenue structure.

## 2.3 Business of Osteopore

Osteopore has achieved a number of significant milestones since the commencement of research and development. A summary of developments achieved are set out below:

- (a) **1996:** Research initiated on 3D printed microstructure for tissue regeneration.
- (b) **2002:** Successful first human application for cranial Burr Hole cover with a 3D printed PCL scaffold in Singapore.
- (c) **2003:** Osteopore was incorporated in Singapore to commercialise the technology.
- (d) **2004:** Received US Patent for Company's platform technology – 'Methods for Fabricating a Filament for Use in Tissue Engineering'.
- (e) **2006:** Osteopore received US FDA 510(K) approval for craniofacial application.
- (f) **2006:** Osteopore commenced sales of the Osteoplug, Osteomesh and Osteostrip product.
- (g) **2009:** Successful first human application for craniofacial application with 3D printed PCL-TCP scaffold in Germany.
- (h) **2009:** Osteopore received CE-Mark approval, which was renewed in 2017.
- (i) **2010:** Successful first human dental application with 3D printed PCL scaffold in Singapore.
- (j) **2011:** Received US Patent for platform technology.
- (k) **2015:** Goh Khoon Seng, CEO, joined Osteopore.

## 2.4 Technology Overview

Osteopore is involved in designing, developing and marketing bioresorbable polymer implants for neurosurgical, orthopaedic, and maxillofacial surgery use.

Osteopore's proprietary technologies allow for the development of biostructures which are synthetic biologically active tissue engineered products for the restoration of the human skeleton. The Directors believe that Osteopore's core technology, the 3D printed biomimetic micro architecture which facilitates the bone healing process, provides multiple opportunities for growth through developing surgical implants and for pursuing regulatory approval for its products to initiate revenue opportunities. 3D printed biomimetic micro architecture is used in all of Osteopore's products.

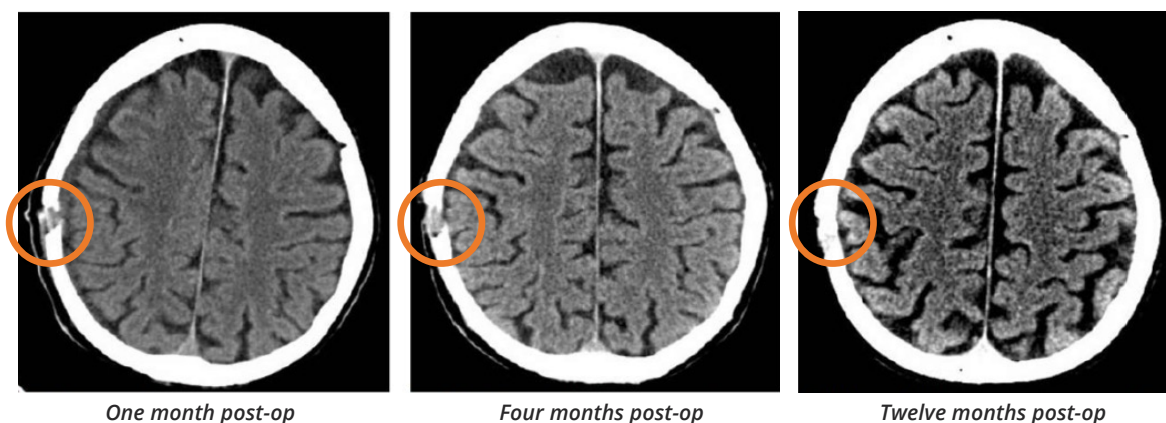
By way of example, Burr Holes are commonly utilised in neurosurgery. However, based on Osteopore's research it has been found that the residual depression on the scalp over the usually uncovered Burr Hole is often unacceptable to the patient from a cosmetic perspective.

To overcome this problem, many materials from bone grafts to synthetic materials, such as titanium, ceramics and hydroxyapatite polymers, have been used to cover Burr Holes in an attempt to obtain an ideal cosmetic result.

Osteopore has developed a unique bioresorbable PCL polymer scaffold designed to snap-fit into the burr-hole skull defect. Each Osteopore product is made of PCL.

The advantage of a PCL polymer scaffold is that it allows natural osteogenesis to occur into the burr-hole defect. This new bone integrates, and eventually blends with the patient's native bone.

The images below highlight the post-operation CT scan imagery and the bone regeneration over a period of 12 months after surgically implanting Osteopore's Osteoplug product following surgery.



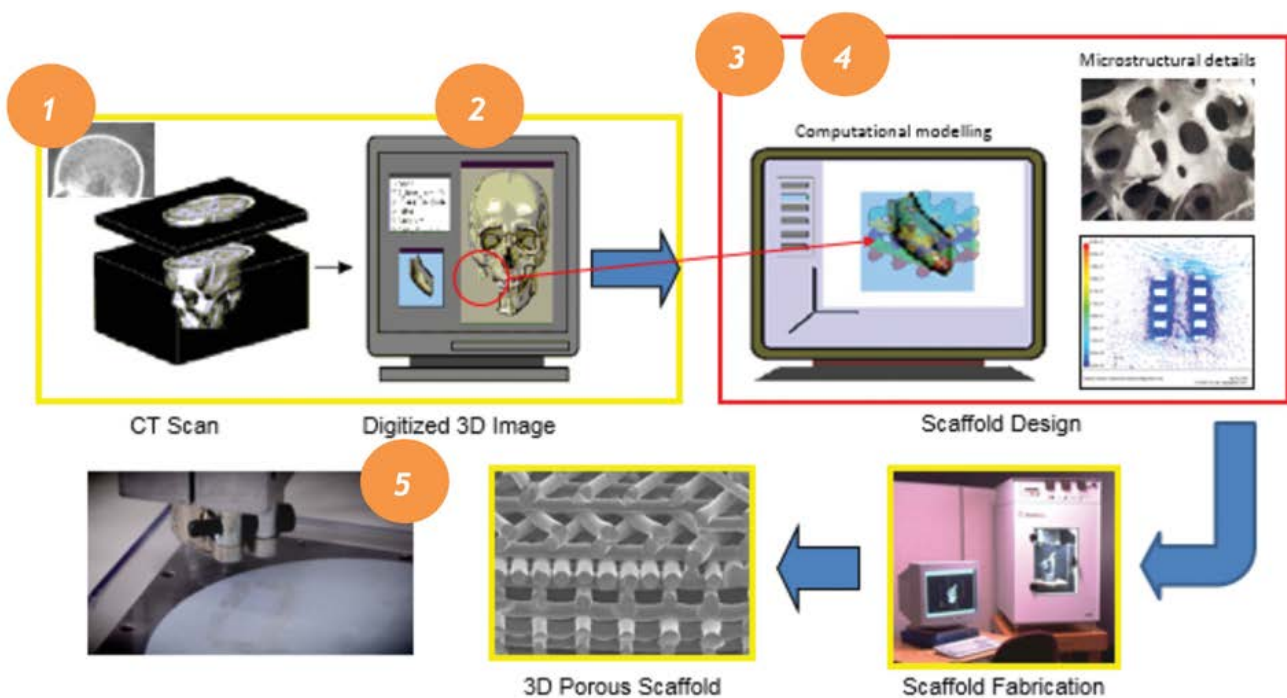
All Osteopore products include the 3D printed biomimetic micro architecture. Clinical trials for Osteoplug and Osteomesh (the Osteostrip product is a sub-brand of Osteomesh, which works by providing a scaffold for the patient's own bone cells to be regenerated), have resulted in bone-regeneration. Osteopore has successfully commercialised Osteoplug, Osteomesh and Osteostrip and has sold over 20,000 units to hospitals in Singapore, South Korea, Vietnam and Malaysia since inception. Osteopore is developing the technology further to enable the scaffold to be implanted in other parts of the body.

Osteopore uses 3D printing to develop and commercialise biomimetic microstructures that facilitate natural tissue regeneration after insertion into the human body. Osteopore is not using 3D printing for printing models for surgical planning, surgical guide or permanent implants.

Osteopore integrates medical imaging, computational mechanics and biomaterials technology to manufacture its product. A summary and graphical illustration is set out below:

- (a) **Step 1:** The hospital undertakes a CT scan.
- (b) **Step 2:** Osteopore uses third party software to digitise the image to create a 3D image.
- (c) **Step 3:** Third party software developed to meet Osteopore specific requirements is applied to the 3D image to create the scaffold design.
- (d) **Step 4:** Once the design has been created, Osteopore converts the design into 3D printing code using Osteopore proprietary software algorithms.
- (e) **Step 5:** The scaffold is produced using Osteopore's 3D printer micro-extruder.

### Integration of Medical Imaging + Computational Mechanics + Biomaterials Technology



## 2.5 Current products

Osteopore currently has a number of US FDA and CE Mark cleared craniofacial products. A summary is provided below:

Products	Neurosurgery	Plastic Surgery	Oculplastic Surgery	Craniofacial Surgery
<b>Osteoplug</b> US FDA 510k 2006/CE Mark approved	<ul style="list-style-type: none"> <li>Burr Hole for craniotomy</li> <li>Evacuation for chronic subdural hematoma</li> <li>Cranial spinal fluid shunt</li> </ul>			
<b>Osteomesh</b> US FDA 510k 2006 approved	Craniostylosis Cranioplasty	Facial reconstruction Orbital reconstruction	Orbital reconstruction (CE Mark approved)	Facial reconstruction Orbital reconstruction
<b>Osteostrip</b> US FDA 510k 2006 approved	Cranioplasty gap filler to minimise bone edge necrosis	Cranioplasty gap filler to minimise bone edge necrosis		Cranioplasty gap filler to minimise bone edge necrosis

A more detailed description of Osteopore's current products, Osteoplug, Osteomesh and Osteostrip are set out below.

### Osteoplug

Patients suffering head injuries in need of surgical repair for skull fractures usually receive a "burr hole", during a surgical procedure, which is drilled into the skull to relieve pressure and prevent haemorrhage (**Burr Hole**). To repair the Burr Hole after the initial danger period, common methods include harvesting bone from another part of the body or using titanium plates.

Osteoplug is a bioresorbable implant that is used for covering trephination Burr Holes in neurosurgery. Its interconnecting porous matrix architecture allows it to be rapidly saturated with marrow, blood and nutrients for bone growth and remodelling. Long-term clinical trials showed significant bone regeneration, re-covering the Burr Hole as the material is slowly resorbed by the body and replaced by autologous bone. It has sufficient mechanical strength (i.e. non-load bearing function) and the scaffold architecture provides protection and prevention of potential injuries to the exposed brain through the Burr Holes.

Key benefits include:

- FDA-cleared for craniofacial indications;
- fully interconnected pores;
- unique flattened button mushroom shape; and
- allows a snap fit into Burr Holes and requires no fixation by screws.

Standard products (diameter by height):

- 15mm by 5mm;
- 13mm by 5mm; and
- 12mm by 5mm.

The images below show the Osteoplug once it has been produced, and it is in this form they are able to be implanted into the patient's skull to facilitate bone regeneration.



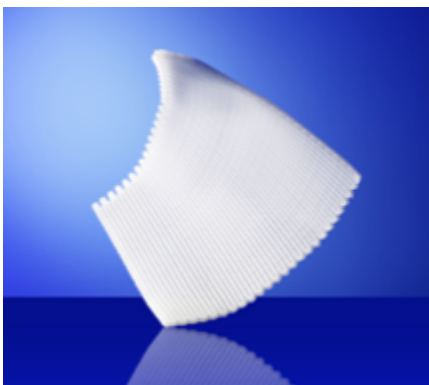
## Osteomesh

Osteomesh is a bioresorbable implant that is used in craniofacial surgery to repair various types of fractures, including the orbital floor fracture and to fill surgical defects. Its unique 3D printed biomimetic micro architecture allows rapid saturation with marrow, blood and nutrients once inserted into the body, thus providing the patient's own cells with chemical signals that are required for bone growth and remodelling. The mesh offers a rigid yet flexible scaffold with sufficient mechanical strength (i.e. non-load bearing function) that supports bone in-growth and it degrades as bone regeneration and remodelling takes place.

Osteomesh's key benefits include:

- (a) FDA-cleared for craniofacial indications;
- (b) its fully interconnected pores;
- (c) it is malleable;
- (d) it is easily cut to shape; and
- (e) it is available in standard products sizes (length by breadth by height):
  - (i) 50 by 50 by 1 (mm);
  - (ii) 40 by 40 by 1 (mm); and
  - (iii) 25 by 25 by 1 (mm).

The image below depicts the Osteomesh product once produced. At this stage it can be implanted into a patient's skull.



## Osteostrip

Osteostrip provides a durable, biodegradable method of filling the void following a craniotomy (which is the surgical removal of part of the bone from the skull to expose the brain).

It provides rapid and homogenous vascularization after the procedure and ultimately results in high structural integrity and long-term integration with the surrounding bone. The naturally osteoconductive and bioresorbable Osteostrip promotes bone formation due to its 3D printed biomimetic micro architecture.

The FDA cleared Osteostrip fills the void between the cranial flap and the cranium without the need for fixation through screws or other means.

Osteostrip's key benefits include that it is:

- (a) FDA-cleared for craniofacial indications;
- (b) easy to handle with no need for fixation with excellent biocompatibility, which promotes bone formation indications; and
- (c) indicated for use by the US FDA as a void filler between the cranial flap and surrounding cranium after a craniotomy procedure.

The image below depicts the Osteostrip once produced. At this stage the Osteostrip can be implanted into a patient's skull.





## 2.6 New applications/products

Osteopore has identified a number of new applications that are complementary to the Osteomesh, Osteostrip and Osteoplug products. These are: dental, spinal/orthopaedic and long bone market segments.

Dental applications will likely fall under existing intellectual property protection as will some long bone designs. However, spinal and select long bone designs will be subject to new patent applications. As with any new applications or products, there are no guarantees that the Company will be able to obtain the necessary approvals required and/or commercialise these new applications or products in the jurisdictions in which they are to be marketed and sold. Please see Sections 4.1(h) and 4.1(i) for risks relating to these new products and markets.

A summary of each respective stage of development for the target markets is set out below:

	Dental		
	First generation	Second generation	Long bone/Spine
Lab test/mechanical test	✓	✓	✓
Animal test	✓	✓	✓
Clinical study/trial	✓	Ongoing	Ongoing
Human clinical	✓	-	Currently undertaking first in human trials
Regulatory approval	✓	-	-
Sales	-	-	-

## 2.7 Overview of Polycaprolactone (PCL)

PCL is the material of choice in Osteopore's devices. PCL is a biodegradable polyester. The most common use of PCL is in the manufacture of sutures (being a surgical stitch used to join together the open parts of a wound). PCL is the material used in the Osteopore products.

PCL has been approved by US FDA and CE Mark for use in Osteopore's implants. PCL fully resorbs into the body in 18-24 months and the by-products metabolised by the body into carbon dioxide and water. The gradual resorption profile makes it a predictable material for matching to the natural stage of bone healing.

## 2.8 Business and Revenue Model

Osteopore has generated revenues of S\$204,768 (approximately A\$217,000), S\$610,620 (approximately A\$650,000) and S\$934,878 (approximately A\$990,000) in each of financial year end to 31 December 2016, 31 December 2017 and 31 December 2018 respectively. Further information on the financial performance of Osteopore is included in the financial information section and Investigating Accountant's Report included in Sections 6 and 7 of the Prospectus.

Osteopore currently generates revenue in Singapore (6%), Malaysia (2%), South Korea (52%), Vietnam (33%) and in other nations (7%).

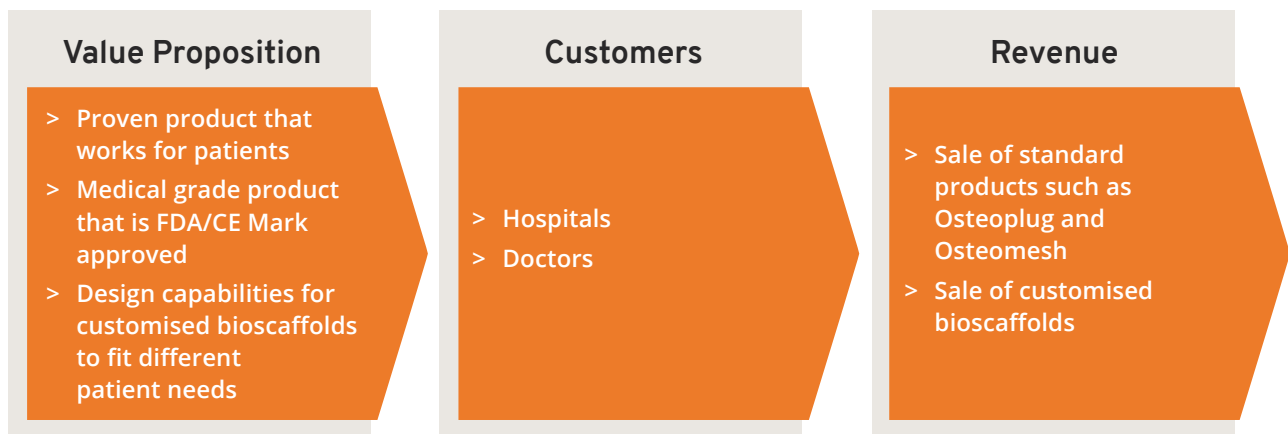
The relative sales contribution by country to date is attributable to the strength of the distributor and hospital access procedures in each country. Sales to countries outside of Singapore are conducted via distributors. Osteopore does not presently have operations of its own in countries outside of Singapore.

Osteopore's top selling products are Osteomesh, Osteostrip and Osteoplug with key customers including National University Hospital (Singapore), National Dental Centre (Singapore), Singapore National Eye Centre (Singapore), Tan Tock Seng Hospital (Singapore), BD Seoul National University Hospital (South Korea), ASAN Medical Centre (South Korea), Seoul National University Hospital (South Korea), Sanford Medical Centre (USA), Klinikum rechts der Isar Hospital (Germany) and Cho Ray General Hospital (Vietnam) (largest trauma centre in Vietnam).

Osteopore currently has a number of distribution agreements in place in the following markets; US, UK, Spain, Turkey, Philippines, India, Thailand, Vietnam, South Korea, India, Pakistan and Myanmar. Further information about the Company's distribution arrangements is included in Section 9.11.

The Company has identified a number of key target markets including the United States of America, Australia and Europe and plans to enter or expand in these markets in the next 12-18 months. The Company also intends to enter the Chinese market in the next 12-24 months. The Company notes the key barriers to entry in these jurisdictions include funding the investment into these markets and also regulatory considerations and the need to receive Chinese FDA Approval for entry into China and Australian TGA Approval for entry into Australia. Refer to Section 4.1(g) for further details of the regulatory risks faced by the Company.

Osteopore’s business model has been summarised below:



The revenue model by geography is set out below:

Region	Direct sales force	Distribution Managers	Product Marketing
Singapore	✓		✓
USA		✓	✓
EU		✓	✓
China		✓	✓
India		✓	
Rest of Asia		✓	✓
Middle East		✓	
Latin America		✓	

The Company plans to apply the Public Offer funds to increase its sales to USA, Europe, China and Australia.

## 2.9 Growth Strategy

The Company intends to successfully execute the following growth strategy:

- (a) enhance market penetration of the Osteoplug, Osteomesh and Osteostrip products;
- (b) invest in sales and marketing activities and infrastructure in USA, Europe, Australia and Asia;
- (c) obtain necessary regulatory approval to expand applications in target jurisdictions (e.g. Australian TGA approval, China FDA registration, register 2nd generation materials with USFDA and CE Mark);
- (d) undertake market development and business development activities to further enhance revenue; and
- (e) expand Osteopore's product offering with a number of new applications that are complementary to the Osteomesh, Osteoplug and Osteostrip products. These are, dental, spinal/orthopaedic and long bone market segments.
  - (i) Dental: Osteopore is currently undertaking human clinical trials. Once completed Osteopore will pursue regulatory approval to sell these products.
  - (ii) Long bone/spine: Osteopore has completed lab tests and animal tests and has successfully conducted first in human tests. Funds raised from the Public Offer will be used to undertake the clinical trial.
  - (iii) New material: Osteopore has commenced the lab test and animal test of the new material polycaprolactone compounded with magnesium which will be used to accelerate bone regeneration.

In conjunction with Osteopore's planned geographical expansion, Osteopore intends to, where appropriate, establish local representative offices in key target markets in order to establish licencing arrangements with local manufacturers and distributors.

The expansion strategy outlined above is underpinned by Osteopore's commitment to ongoing technology and product development, which aims to maintain Osteopore's technical leadership in the sector.

## 2.10 Research and Development Network

Osteopore has exclusive licence arrangements with Nanyang Technological University (NTU), National University of Singapore (NUS) and Temasek Polytechnic. For further information on the exclusive licence arrangements. Refer to Sections 9.6, 9.7, and 9.8.

Osteopore has a number of key research and development relationships with world class institutions across a number of jurisdictions. These have been summarised below:

### Exclusive Licence Technology



### Research and Development Partnership



### International Research and Development Partnership



## 2.11 Intellectual Property

Osteopore has a significant patent portfolio of over 20 patents represented by three main patent families as well as a number of registered trademarks.

Osteopore also has a number of trade secrets residing in:

- (a) manufacturing processes e.g. optimal viscosity of material;
- (b) standard operating procedures;
- (c) proprietary software that runs the 3D printing; and
- (d) technical know-how to build manufacturing line such as the configuration of 3D printers.

The details of Osteopore's intellectual property portfolio and the patent portfolio are more fully detailed in the Intellectual Property Report in Section 8.

## 2.12 Singaporean Government Grants

Osteopore has received Singaporean government support for technology development and commercialisation assistance including:

- (a) National Research Foundation Grant through Osteopore's clinical partner, the National Dental Centre Singapore for a randomised clinical trial with 3D printed scaffold for ridge preservation after tooth extraction. Under the terms of the grant the grant monies are provided to the National Dental Centre Singapore directly to support commercialisation of Osteopore's products;
- (b) SPRING, Capability Development Grant for developing clinical trial capability with the Singapore Clinical Research Institute. Under the terms of the grant up to S\$145,525 (approximately A\$154,000) is available to Osteopore with up to 70% of costs incurred being reimbursable;

- (c) National Additive Manufacturing Industry Cluster (NAMIC) Grant for developing "Biomimetic 3D Printed Bioresorbable Devices with Natural Growth Factor Enhancing Properties". Under the terms of the grant up to S\$248,000 (approximately A\$263,000) is available;
- (d) NAMIC Grant for developing 3D Printer Code Generation Software with SIMTech (completed);
- (e) ASME Talent Programme Internship Grants. Under the terms of the grants an amount up to 70% of the salary costs of specific interns within a specific qualifying period are reimbursable. Each ASME Talent Programme Internship Grant is subject to a specific grant cap; and
- (f) various Enterprise Singapore grants, such as Market Readiness Assistance Grants for participation in overseas conferences and Capability Development Grants.

There is no guarantee that the Company will receive grant funding as the distribution of grants are at the discretion of the Singapore government. As such, the Company has not included provision for the grant funding in its use of funds as set out in Section 1.6.

With the exception of the NAMIC Grant (item d above) all grants are still in place.

The Company continues to apply for grants which may be awarded periodically.

## 2.13 Dividend Policy

The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing businesses.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

### 3. Industry Overview

Osteopore operates in the natural tissue and bone regeneration market.

Bone regeneration is a process to directly repair bone defects or engineer bone tissue for transplantation.

Osteopore currently produces the Osteoplug, Osteomesh and Osteostrip products. All products are sold into the bone regeneration market. At present, Osteopore is focused on the craniofacial reconstruction market. As set out in Section 2.9, the Company intends to enter into the dental, orthopaedic and long bone market segments. Please see Sections 4.1(h) and 4.1(i) for risks relating to these new products and markets.

Biomaterials play a pivotal role in providing a template and extracellular environment to support regenerative cells and promote tissue regeneration. Osteopore currently uses PCL, a bioresorbable material in the production of its products. For further information on PCL please refer to Section 2.7.

The sections below provide an overview of the bone graft market and the biomaterials market.

#### 3.1 Overview of the global bone graft market

Bone grafts are implantable materials, which promote bone healing, bone formation, and osseous reconstruction due to their osteoconductive, osteogenic, and osteoinductive properties. They are used in sports, trauma plastic, facial, and spinal surgery. In addition, they can be used to fill voids in case of absence of bones or help in provision of structural stability.<sup>1</sup>

Bone grafting is a surgical procedure for replacing a missing or defected bone with a material (bone graft) from either i) a patient's own body, cadaver, animals, or a different person or ii) synthetic bone graft substitutes. Bone grafts are required in wound healing, complex fracture treatment, and others.<sup>2</sup>

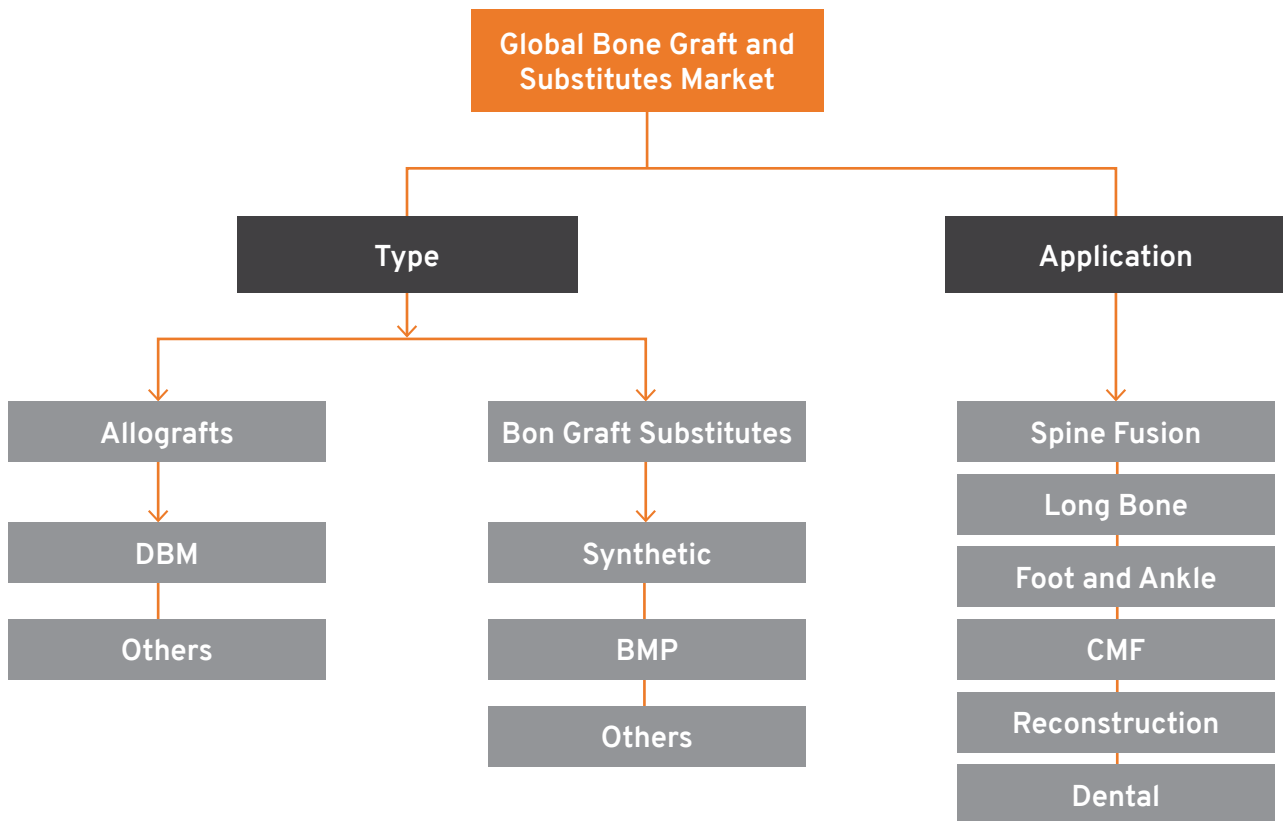
The bone graft market is segmented into natural (harvested from a patient's or donor's body) and synthetic. The natural segment is further segmented into autografts and allografts. The allografts segment includes demineralized bone matrix and others, whereas the synthetic segment is further broken down into ceramic, composite, polymers, and bone morphogenic proteins. Synthetic bone grafts are made from polymers, composites, and ceramics.<sup>3</sup>

1 Allied Market Research: [www.alliedmarketresearch.com/bone-graft-substitutes-market](http://www.alliedmarketresearch.com/bone-graft-substitutes-market). Note the author has not provided consent for this statement to be included in the Prospectus.

2 Ibid.

3 Transparency Market Research, 'Global Bone Graft and Substitutes Market' (2015), pg 17. Note the author has not provided consent for this statement to be included in the Prospectus.

A summary of the bone graft market segmentation is set out below:



Source: Transparency Market research, Global Bone Graft and Substitutes Market.

Major applications of bone graft and substitutes market include craniomaxillofacial, dental, foot and ankle, joint reconstruction, long bone, and spinal fusion. Improving reimbursement coverage and presence of a large geriatric patient population are some of the factors supporting market growth.<sup>4</sup>

According to Allied Market Research the global bone grafts and substitutes market was valued at US\$2,690 million in 2017, and is expected to reach US\$3,912 million by 2025, registering a compound annual growth rate (CAGR) of 4.8% during the forecast period.<sup>5</sup>

### 3.2 Overview of the biomaterials market

Biomaterials play an important role in providing a template and extracellular environment to support regenerative cells and promote tissue regeneration.

There are two main categories of biomaterials, the first based on naturally occurring biomaterials and the second based on synthetic biomaterials.

The natural biomaterials include soft tissues such as skin, tendon, pericardium, cornea, nerve, muscle, etc. Natural biomaterials usually require some form of chemical or physical pre-treatment designed to: preserve the tissue by enhancing the resistance of the material to enzymatic or chemical degradation; reduce the immunogenicity of the material; and sterilize the tissue.<sup>6</sup>

<sup>4</sup> Grand View Research website: [www.grandviewresearch.com/industry-analysis/bone-grafts-substitutes-market](http://www.grandviewresearch.com/industry-analysis/bone-grafts-substitutes-market). Note the author has not provided consent for this statement to be included in the Prospectus.

<sup>5</sup> Allied Market Research: [www.alliedmarketresearch.com/bone-graft-substitutes-market](http://www.alliedmarketresearch.com/bone-graft-substitutes-market). Note the author has not provided consent for this statement to be included in the Prospectus.

<sup>6</sup> BCC research, Global Markets for Implantable Biomaterials, page 13. Note the author has not provided consent for this statement to be included in the Prospectus.

Synthetic biomaterials include engineered biomaterials, which can be further classified into four main types: metallic biomaterials, ceramic biomaterials, polymeric biomaterials and composite biomaterials.<sup>7</sup>

Synthetic polymeric materials, which can be subdivided into non-biodegradable polymers and biodegradable polymers, have been used for a wide variety of different applications in medicine, including medical disposable supplies, prosthetic materials, dental materials, implants, dressings, extracorporeal devices, encapsulants, polymeric drug delivery systems, tissue engineered products and orthoses like those of metal and ceramics substituents.<sup>8</sup>

The main advantages of the polymeric biomaterials, compared to metal or ceramic materials, are ease of manufacturability to produce various shapes (latex, film, sheet, fibers, etc.), ease of secondary processability, reasonable cost and availability with desired mechanical and physical properties.<sup>9</sup>

It is anticipated that the use of medical biomaterials will continue to expand rapidly through the emergence of new and innovative technologies as well as the identification of new applications for products based on biomaterial technologies.<sup>10</sup>

The global market for implantable biomaterials, as defined in the market segmentation described, was estimated at nearly \$75.1 billion in 2013 and \$79.1 billion in 2014 and by 2019, it is predicted that the global market will have increased in value to \$109.5 billion (CAGR 6.7%).<sup>11</sup>

### 3.3 Competitors and barriers to entry

There are a number of competitors to Osteopore in varying stages of development. The competitors' technologies are at varying stages of commercialisation.

Osteopore competitors include Anatomics, Medtronic, KLS Martin, Stryker, Zimmer Biomet and J&J Synthes.

Osteopore believes its competitive advantage is that its products are unique given Osteopore's intellectual property, trade secrets in the use of production

material (such as PCL), the proprietary micro-architecture and the use of 3D printing manufacturing capabilities. The Directors believe Osteopore's competitors do not presently have these same capabilities.

Further, the key competitive advantage of Osteopore lies in the combination of knowing the optimal material viscosity, 3D printing machine programme and manufacturing process which ensures the printed scaffolds lie flat and adhere well together. Supported by the patented technologies, these combine to produce medical grade scaffolds.

Osteopore has a number of advantages including:

- (a) Osteopore's products are cleared by US FDA (510k) and bear the CE Mark of conformity;
- (b) the biomimetic microstructure and its ability to integrate with surrounding bones;
- (c) Osteopore's technology is bioresorbable, so it does not have any long-term regenerative problems;
- (d) 3D printed to allow products to be tailored to specific patient's needs and requirements; and
- (e) improves patient mobility and quality of care.

Osteopore has identified a number of barriers to entry in the natural tissue and bone regeneration market including the following:

- (a) **Access to specialist technology:** Osteopore (in collaboration with NTU and others) has developed proprietary and unique technologies.
- (b) **Access to capital:** Substantial capital is required to develop unique technologies such as Osteopore's technology.
- (c) **Regulatory considerations:** There are substantial regulatory requirements needed in order to produce and sell products in the medical technology sector.
- (d) **First mover advantage:** Osteopore specialises in the production of 3D printed and bioresorbable material that facilitates the natural stages of bone healing. Osteopore has received FDA and CE-Mark approval which positions it to target the significant market opportunity.

<sup>7</sup> Ibid, page 13.

<sup>8</sup> Ibid, page 15.

<sup>9</sup> BCC research, Global Markets for Implantable Biomaterials, page 15. Note the author has not provided consent for this statement to be included in this Prospectus.

<sup>10</sup> Ibid, page 9.

<sup>11</sup> Ibid, page 9.

## 4. Risk Factors

As with any share investment, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company and the Group, but should not be taken as an exhaustive list of the potential risk factors to which the Company and its Shareholders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Securities.

Any investment in the Company under this Prospectus should be considered highly speculative.

### 4.1 Risks specific to the Company

#### (a) Intellectual property risk

Osteopore has a patent portfolio of 20 patents, trade secrets and registered trademarks. The Company relies on laws relating to patents, trade secrets, copyright and trademarks to assist to protect its proprietary rights. However there is a risk that unauthorised use or copying of the Company's software, data, specialised technology, manufacturing processes or platforms will occur. If the Company fails to protect its intellectual property secrets, competitors may gain access to its proprietary information which could harm the Company's businesses.

There is a risk that the Company will be unable to register or otherwise protect new intellectual property it develops in the future. Competitors may be able to work around any of the applications or other intellectual property rights used by the Company, or independently develop technologies or competing products that are not covered by the Company's intellectual property rights. This may materially adversely impact the Company's revenue, legal expenses and profitability.

If the Company believes its intellectual property rights have been infringed, it may initiate or otherwise be involved in litigation against third parties for infringement, or to establish the validity, of the Company's rights. Any litigation, whether or not it is successful, could result in significant expense to the Company and divert the efforts of its personnel. In addition, unauthorised use of the various brands of the Company in counterfeit products or services could not only result in potential revenue loss, but also have an adverse impact on its brand value and perception of product quality.

Osteopore's commercial success is, to a large extent, reliant upon its intellectual property being suitably protected and providing the Company with enforceable rights (i.e. through the registration of patents or other trade marks). There cannot be any assurance that the patents or other any intellectual property in existence today or created in the future will be able to be successfully protected.

#### (b) Supplier and manufacturing risks

Osteopore sources certain key components for its devices from third party suppliers. The delivery of such components may be delayed, or a specific supplier may not be able to deliver at all, which may lead to a longer sales cycle or may force Osteopore to shift to another supplier. There is a risk that the Company could be disrupted if no alternative suppliers were able to be sought. There is a risk that key components provided by third party suppliers may be defective.

Further, Osteopore manufactures products which are implanted in patients. The Company's products may be subject to product quality risks.

The products supplied by the Company may not be functional or not meet customer's expectations. This may lead to requirements for the Company to improve or refine its products, which may diminish operating margins or lead to losses.

#### (c) Medical or product liability claims

Generally, medical technology companies may be subject to claims alleging negligence, product liability or breach of warranty that may involve large claims and significant defence costs whether or not such liability is imposed. These claims may be brought by individuals seeking relief for themselves, or increasingly, by groups seeking to represent a class. Claims could be made against the Company for liabilities resulting from adverse medical consequences to patients.



**(d) Equipment risk**

Osteopore uses 3D printing technology to develop biomimetic microarchitectures that facilitates natural tissue regeneration. The core micro-extruder technology is integrated with a 3D printer. Whilst there are other providers of equipment (including 3D printers), inability to access the appropriate equipment in a timely fashion and on commercial terms may have an adverse effect on Osteopore's business and financial position.

**(e) Licenses risk**

Osteopore licences software from a third-party provider for use in development of fused deposition modelling 3D printing instruction software. Whilst there are other alternative software providers, there is a risk that the business could be disrupted if there is a disagreement, dispute or the third-party provider is no longer able to provide its service to the Company.

**(f) Competition and new technologies**

The industry in which the Company is involved is subject to increasing global competition which is fast-paced and fast-changing. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business. For instance, new technologies could result in the Company not being differentiated to other similar offerings.

The size and financial strength of some of the Company's competitors may make it difficult for it to maintain a competitive position in the medical technology market. In particular, the Company's ability to acquire additional technology interests could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of the Company.

A number of third-party competitors are currently offering products and services similar to the Company's product. The competitor products are made from titanium or a plastic non-resorbable product called Peek. Existing competitors (as set out in Section 3.3), as well as new competitors entering the industry, may engage in aggressive campaigns, develop superior technology offerings or consolidate with other entities to deliver enhanced scale benefits, which may materially erode the Company's revenue, and may materially adversely impact the Company's financial performance.

The key competition risk is in achieving appreciable market share and differentiation from its key competitors.

**(g) Regulatory risk**

The Company is subject to continuing regulation, including quality regulations applicable to the manufacture of its devices and various reporting, certification renewal and audit requirements and regulations. The Company has policies and procedures in place which are designed to ensure continuing compliance with applicable regulations for its existing products in the jurisdictions in which it operates. There can be no guarantee that the regulatory environment in which the Company operates may not change in the future which may impact on the Company's existing approvals and products.

As set out in Section 2.9, the Company intends to expand the application of its products in target jurisdictions (including Australia, USA, China and Europe). Further regulatory approvals may be required to expand in to these jurisdictions including but not limited to Australian TGA approval, China FDA registration, registration of second generation materials with the US FDA and further CE Mark conformity). The Company may not be able to obtain the necessary approvals and clearances in a timely fashion or may not be able to obtain the necessary approvals and clearances at all.

**(h) New applications/products and clinical testing**

As set out in Section 2.6, the Company has identified a number of new applications that are complementary to its existing products, including dental, spinal/orthopaedic and long bone market segments. These new products must still undergo further clinical studies and those tests and trials may show that its new products do not work in a safe and effective manner. The Company intends to conduct clinical studies of the licensed Intellectual Property in the future, but there can be no guarantee that relevant regulatory agencies will allow the Company to undertake such trials and/or the development and approval process for any new products or applications of existing products may take longer, cost more than expected and may result in the licensed Intellectual Property not producing a viable device.

Depending upon the severity of any failure of the Company to comply with any applicable regulations, the Company could be subject to enforcement actions, including but not limited to: warning letters, fines, injunctions, consent decrees, civil monetary penalties, recalls or seizures of its devices, manufacturing restrictions, closure of its manufacturing plants, modifications or revocations of any clearances and approvals that it already holds or will hold, and/or criminal prosecution. If any such sanctions are imposed against the Company, such sanctions could harm the Company's reputation, and depending upon the severity, could have significant adverse impact upon the Company's ability to provide services and on its financial condition.

**(i) New markets**

As set out in Section 2.9, the Company will look to expand its product offerings into new markets. Any efforts to enter a new market space holds the risk that the product offering does not meet the needs of the market at an acceptable price point, the product does not meet the relevant regulatory standards and/or the underlying intellectual property is not registrable in the market. New markets usually cost substantially more to penetrate than a known market.

**(j) Distribution risk**

As set out in Section 9.11, Osteopore has a number of distribution agreements in place with third party distributors. The Company intends to focus on developing and marketing the Company's products through the use of distributors in key target markets. Each distributor is required to maintain all regulatory approvals with respect to each of the Company's products, and is required to keep Osteopore generally informed of the regulatory requirements in the relevant territory.

Under each distribution agreement, there is a risk of:

- (i) failure by the distributor to pay any amount owing to Osteopore under the distribution agreement;
- (ii) failure by the distributor to comply with post market requirements pertaining to tracking, vigilance and reporting procedures per ISO 13485 and any national or state requirements; or
- (iii) failure by the distributor to obtain all regulatory approvals required to sell and distribute Osteopore's products in the territory.

Osteopore may be required to terminate the relevant agreement upon any of the above occurring. Further, there is a risk that the Company enters into distribution agreements on terms that may not be commercially acceptable or may have a negative impact on the Company's growth and profitability.

**(k) Completion risk**

As set out in Section 9.1, the Company and Osteopore have entered into the Implementation Agreement. There is a risk that if any of the conditions to completion under the Implementation Agreement are not satisfied (or waived), completion may not occur and the Offers under his Prospectus will not proceed.

**(l) Personal information collation risk**

The Company collects, stores and processes highly sensitive, highly regulated and confidential information. The provision of secure and reliable information storage and processing services is integral to the businesses and operations of the Company in the corporate wellness industry.

While the Company has in place strict policies and procedures when collecting data, if the Company's systems or data is compromised for any reason there is a risk that the Company may become involved in legal action due to breaching data confidentiality agreements.

**(m) Brand establishment and maintenance**

The Company believes that establishing and maintaining the Company's brand in the medical industry in which it operates is critical to growing its customer base and product and service acceptance. This will depend largely on the Company's ability to continue to provide innovative and in-demand products. If the Company fails to successfully establish and maintain its brand, its business and operating results could be adversely affected.

**(n) Loss making operation, future capital needs and additional funding**

As at the date of this Prospectus and as set out in section 6, Osteopore is currently loss making and is not cash flow positive, meaning it is reliant on raising funds from investors to continue to fund its operations and product development. Although the Directors consider that the Company will, on Completion of the Public Offer, have sufficient working capital to carry out its stated objectives and to satisfy the anticipated current working capital and other capital requirements set out in this Prospectus, there can be no assurance that such objectives can continue to be met in the future without securing further funding.

The future capital requirements of the Company will depend on many factors, including the pace and magnitude of the development of its business and sales, and the Company may need to raise additional funds from time to time to finance the ongoing development and commercialisation of its technology and to meet its other longer-term objectives.

Should the Company require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing, if required, would have a material adverse effect on the Company's business, financial condition and results of operations.

**(o) Reliance on key personnel**

Success of the business will depend on the Directors and the management of the Company to develop the business and manage operations, and on the ability to attract and retain key quality staff and consultants.

The Company has key management personnel including Goh Khoon Seng, Professor Teoh and Lim Jing. It is important to retain and attract additional suitable qualified personnel. Although these individuals have entered into contracts with the Company, there is no assurance that such contracts will not be terminated. If such contracts are terminated or breached, or if these individuals no longer continue in their current roles, new personnel will need to be employed, which may adversely affect the business. The Company is also substantially dependent on the continued service of its existing development personnel because of the complexity of its services and technologies. There is no assurance that the Company will be able to retain the services of these persons.

**(p) Contractual disputes**

There are a number of risks associated with contracts entered into by the Company, including the risk that those contracts may contain unfavourable provisions, or be terminated, lost or impaired, or renewed on less favourable terms. As with any contract, there is a risk that the business could be disrupted in situations where there is a disagreement or dispute in relation to a term of the contract. Should such a disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally. It is not possible for the Company to predict or protect itself against all such risks. Material contracts entered into by the Company are summarised in Section 9.

#### **(q) Legal Proceedings**

Legal proceedings may arise from time to time in the course of the business of the Company including enforcing or defending its intellectual property rights against infringement and unauthorised use by the competitors or in relation to a contract dispute. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

#### **(r) Liquidity and Dilution Risk**

There can be no guarantee that an active market in the Securities will develop or that the price of the Securities will increase. On completion of the Offers, 74% of the issued Shares are anticipated to be subject to escrow with 26% of the issued Shares freely tradable.

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the Public Offer and may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities. The Company may undertake offerings of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, voting power of the Company's existing Shareholders may be diluted.

## **4.2 General Risks**

#### **(a) General economic climate**

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these factors and, in particular, by exchange rate movements.

#### **(b) Policies and legislation**

Any material adverse changes in government policies or legislation of markets in which the Company's products are sold, or any other country that the Company has economic interests in, may affect the viability and profitability of the Company.

#### **(c) Enforcement of contracts in foreign jurisdictions**

From time to time, as part of its business, the Company has entered and will continue to enter into contracts which are to be governed by the laws of countries other than Australia.

Should a contractual dispute result in court action or should the Company be required to enforce its rights, the procedure of the courts in the various foreign jurisdictions may be different to those in Australia.

#### **(d) Negative publicity may adversely affect the Share price**

Any negative publicity or announcement relating to any of the Company's substantial Shareholders, key personnel or activities may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of such negative publicity or announcements may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

#### **(e) Stock market conditions**

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the Offer Price. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of Company's operational performance.

General factors that may affect the market price of Shares include without limitation; economic conditions in Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

**(f) Foreign Currency and exchange rate risks**

The Company conducts business in other jurisdictions and is therefore exposed to the effects of changes in currency exchange rates. Unhedged, unfavourable movements in foreign exchange rates may have an adverse effect of the Company's revenue and/or cost of operating and therefore affect the market price of the Shares. The most common foreign currency to be used is Singaporean dollars.

**(g) Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to the Public Offer.

## 5. Board, Management and Corporate Governance

### 5.1 Board of Directors

As at the date of this Prospectus, the Board of the Company comprises:

- (a) Brett Sandercock – Non-Executive Chairman;
- (b) Professor Teoh Swee Hin – Non-Executive Director;
- (c) Stuart Carmichael – Non-Executive Director; and
- (d) Geoff Pocock – Executive Director.

As at the date of this Prospectus, the board of Osteopore comprises:

- (a) Professor Teoh Swee Hin; and
- (b) Goh Khoon Seng.

### 5.2 Directors' and Officers' Profiles

The names and details of the Directors in office at the date of this Prospectus are:

#### (a) Brett Sandercock – Non-Executive Chairman *B Econ, C.A. (Aust)*

Brett Sandercock was appointed chief financial officer of Resmed Limited (NYSE: RMD, ASX: RMD) in January 2006. Previously, he served as ResMed's vice president of Treasury and Finance from November 2004 until December 2005, and group accountant and controller from 1998 to 2004.

Before joining ResMed, Mr Sandercock was manager of Financial Accounting and Group Reporting at Norton Abrasives, a division of Saint-Gobain, a French multinational corporation, from 1996 to 1998. He also held finance and accounting roles from 1994 to 1996 at Health Care of Australia, a large private hospital operator. From 1989 to 1994, he worked at Pricewaterhouse Coopers in Sydney, specializing in audits of clients across distribution and manufacturing, financial services, technology, and other industries.

Mr Sandercock holds a bachelor's in economics from Macquarie University in Sydney, and is a Chartered Accountant.

#### (b) Professor Teoh Swee Hin – Non-Executive Director

*B Eng (1st Hons), PhD Materials Engineering (Singapore)*

Prof Teoh Swee Hin, is the President's Chair, School of Chemical and Biomedical Engineering (SCBE). He holds a joint appointment with the Lee Kong Chian School of Medicine (LKC Med) at Nanyang Technological University. His contribution is in the development and clinical translation of 3D bioresorbable scaffolds. Majoring in Materials Engineering (B. Eng - 1st Class Hon and PhD, Monash University), his research journey focused at translating the materials research to biomedical benefits. He is a Fellow of the Academy of Engineers Singapore and Chief Engineer at Skin Research Institute of Singapore. His research focused on the study of mechanisms that promote cells proliferation and differentiation as a result of mechano induction through load bearing scaffolds for tissue regeneration and remodelling.

Prof Teoh's pioneering work on 3D printed scaffold led to him receiving the prestigious "Golden Innovation Award" at the Far East Economic Review, and the Institute of Engineers "Prestigious Engineering Achievement Award" in 2004. His group was ranked 1st in bone tissue engineering scaffolds in World Web of Science 2010. He was honoured with the Special Award for "Scientific Life-Time Achievement in Bone Tissue Engineering" at Bone-Tec 2015, Stuttgart. As a part of SG50 celebrations, he was featured as one of Singapore's profiled scientists in the book titled "Singapore's Scientific Pioneers".

Professor Teoh is presently the Chairman, Singapore Academy, Asia Regulatory Professional Association (ARPA). He sits in as board of editors Tissue Engineering, Journal of Tissue Engineering and Regenerative Medicine, Journal of Mechanical Behaviour of Biomedical Materials, Journal of Oral & Maxillofacial Research and Proceedings of the Institution of Mechanical Engineers Part H: Journal of Engineering in Medicine.

**(c) Stuart Carmichael – Non-Executive Director**

*B Com, C.A (Aust)*

Mr Carmichael is a Chartered Accountant with over 20 years of experience in the provision of corporate advisory services both within Australia and internationally. Mr Carmichael is a partner and director of Ventnor Capital Pty Ltd and Ventnor Securities Pty Ltd which specialises in the provision of corporate and financial advice to small cap ASX listed companies including capital raisings, initial public offerings, corporate restructures and mergers and acquisitions.

Mr Carmichael completed a Bachelor of Commerce at the University of Western Australia and is qualified with Institute of Chartered Accountants of Australia and New Zealand.

Mr Carmichael also acts as Non-Executive Chairman of Schrole Ltd (ASX:SCL), Non-Executive Chairman of Serpentine Technologies Ltd (ASX:S3R), Non-Executive Director of De.mem Limited (ASX:DEM) and Non-Executive Director of ClearVue Technologies Limited (ASX:CPV).

**(d) Geoff Pocock – Executive Director**

*B Sc (1 Hons), B. LLB*

Mr Geoff Pocock has significant experience as a corporate advisor and strategy consultant advising companies on commercialisation and IP management, business development, mergers and acquisitions strategy and raising equity capital from private and public equity markets.

Mr Pocock is currently the principal of Polaris Consulting (WA) Pty Ltd, and was formerly the Managing Director of Hazer Group Ltd (ASX: HZR), an ASX-listed cleantech chemical engineering company, commercialising a novel low cost and low emission graphite and hydrogen production process initially developed by the University of Western Australia.

Mr Pocock has a Bachelor of Science with first class honours and a Bachelor of Law from the University of Western Australia, and has completed a Postgraduate Diploma in Applied Finance and Investment from the Securities Institute of Australia. Mr Pocock previously spent several years as a research scientist in the biopharmaceutical industry in Australia and the United Kingdom.

Mr Pocock acts as Non-Executive Director of Emvision Medical Devices Limited (ASX:EMV).

### 5.3 Key Management Personnel

Other than the Directors, the Company's and Osteopore's key management personnel are as follows:

**(a) Goh Khoo Seng – Chief Executive Officer**

*M.Eng (Mech)*

Mr Goh's 30-year career spans both start-ups and global multinational corporations, with responsibilities in research and development, manufacturing, regional sales and marketing, and country management. Prior to joining Osteopore Mr Goh spent over 20 years with Medtronic plc (Medtronic plc is the world's largest medical device company) and Edwards Lifesciences Asia in various senior management roles.

Mr Goh has been a Director of Osteopore Pte Ltd, since 2015 and has been involved in all aspects of the Company.

Mr Goh holds a Masters in Engineering (National University of Singapore) and post graduate diploma with Chartered Institute of Marketing (UK).

**(b) Lim Jing – Chief Technology Officer**

*Ph.D.*

Dr. Lim holds a PhD from Nanyang Technological University, Singapore. Prior to joining Osteopore, Dr. Lim conducted research on biomaterials for tissue engineering and regenerative medicine, and developed material fabrication platforms. Dr. Lim published 14 articles in internationally peer-reviewed journals in that time. Dr. Lim joined Osteopore in December 2014, and has led Osteopore to important regulatory and quality milestones. In addition, Dr. Lim led the expansion of product and therapy portfolio, and contributed to the improvement in manufacturing efficiency.

### 5.4 Interests of Directors

No Director of the Company (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers, and

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (d) any Director to induce him or her to become, or to qualify as, a Director; or
- (e) any Director of the Company for services which he or she (or an entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers,

except as disclosed in this Prospectus and as follows.

## 5.5 Security holdings of Directors

The Directors and their related entities have the following interests in Securities as at the date of this Prospectus:

Director	Shares	Options <sup>1</sup>
Brett Sandercock	155,039	500,000
Professor Teoh Swee Hin	Nil	1,500,000
Stuart Carmichael	2,116,281 <sup>2</sup>	500,000
Geoff Pocock	108,539	1,200,000

### Notes:

1. Key Management Options exercisable at \$0.25 each, expiring on 30 June 2022 and otherwise issued on the terms and conditions set out in Section 10.3.
2. Comprised of 1,000,001 Shares held by Mr Stuart Carmichael in his personal capacity and 1,116,280 Shares held by Ventnor Capital and its nominees, of which Mr Stuart Carmichael is a director and shareholder.

Based on the intentions of the Directors at the date of this Prospectus in relation to the Offers, the Directors and their related entities will have the following interests in Securities on Admission:

Director	Shares	Options <sup>1</sup>
Brett Sandercock	155,039	500,000
Professor Teoh Swee Hin	7,729,309	1,500,000
Stuart Carmichael	2,116,281 <sup>2</sup>	500,000
Geoff Pocock	208,539 <sup>3</sup>	1,200,000

### Notes:

1. Key Management Options exercisable at \$0.25 each, expiring on 30 June 2022 and otherwise issued on the terms and conditions set out in Section 10.3.
2. Comprised of 1,116,280 Shares which were subscribed for by Ventnor Capital and its nominees and 1,000,001 Shares which were subscribed for by Stuart Carmichael. Mr Stuart Carmichael, is a director of Ventnor Capital and a Director of the Company.
3. It is Mr Geoff Pocock's intention as at the date of this Prospectus to subscribe for up to 100,000 Shares under the Public Offer.

## 5.6 Remuneration of Directors

The Directors have received, or accrued, the following remuneration since incorporation of the Company.

Director	1 January 2018 – 31 December 2018	1 January 2019 – present
Brett Sandercock	Nil	Nil
Professor Teoh Swee Hin	Nil	Nil
Stuart Carmichael	Nil	Nil
Geoff Pocock	Nil	Nil

### Notes:

1. The Company has entered into letters of appointment with each of Messrs Sandercock, Carmichael, Pocock and Professor Teoh as set out in Section 9.5(c). The Company has entered into an executive services agreement with Mr Pocock as set out in Section 9.5(b).
2. Mr Carmichael has also received fees related to corporate advisory services in respect of work undertaken for the Company, as summarised in Section 9.4.

## 5.7 Related Party Transactions

The Company has entered into the following related party transactions on arms' length terms:

- (a) executive services agreements with Goh Khoon Seng and Geoff Pocock (refer to Section 9.5 for details);
- (b) letters of appointment with each of its Directors on standard terms (refer to Section 9.5 for details);
- (c) deeds of indemnity, insurance and access with each of its Directors on standard terms (refer to Section 9.13 for details);
- (d) short form share sale agreements with Professor Teoh Swee Hin and Goh Khoon Seng, who are each a Vendor (refer to Section 9.2 for details);
- (e) the Corporate Advisor Mandate with Ventnor Capital (of which Mr Stuart Carmichael is a director and shareholder) (refer to Section 9.4 for details); and
- (f) the outstanding loan arrangement with Professor Teoh Swee Hin (refer to Section 9.12 for details).

At the date of this Prospectus, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.



## 5.8 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the 3rd edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are detailed below. The Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website at [www.osteopore.com](http://www.osteopore.com).

### (a) Board of Directors

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

- (i) providing leadership and setting the strategic objectives of the Company;
- (ii) appointing and when necessary replacing the Executive Directors;
- (iii) approving the appointment and when necessary replacement, of other senior executives;

- (iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director;
- (v) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (vi) approving operating budgets and major capital expenditure;
- (vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;
- (viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and
- (x) monitoring the effectiveness of the Company's governance practices.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

### (b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. The Board currently consists of one Executive Director and three Non-Executive Directors (two of whom the Company considers independent). As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

### (c) Identification and management of risk

The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

**(d) Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards.

**(e) Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

**(f) Remuneration arrangements**

The remuneration of any Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

In addition, subject to any necessary Shareholder approval, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director (e.g. non-cash performance incentives such as options).

Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Board reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

**(g) Securities trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Chairman (or the Board in the case of the Chairman) must be obtained prior to trading.

**(h) Diversity policy**

The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.

**(i) Audit and risk**

The Company will not have a separate audit or risk committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

**(j) External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

## 5.9 Departures from Recommendations

Following admission to the Official List, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are detailed in the table below.

Principles and Recommendations	Comply (Yes/No)	Explanation
<b>Principle 1 – Lay Solid Foundations for Management and Oversight</b>		
<p><b>Recommendation 1.1</b></p> <p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	Partially	<p>The Board is ultimately accountable for the performance of the Company and provides leadership and sets the strategic objectives of the Company. It appoints all senior executives and assesses their performance on at least an annual basis. It is responsible for overseeing all corporate reporting systems, remuneration frameworks, governance issues, and stakeholder communications. Decisions reserved for the Board relate to those that have a fundamental impact on the Company, such as material acquisitions and takeovers, dividends and buybacks, material profits upgrades and downgrades, and significant closures.</p> <p>The Company has developed a Board Charter which sets out the roles and responsibilities of the Board, a copy of which is available on the Company's website.</p>
<p><b>Recommendation 1.2</b></p> <p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	No	<p>As Board members are appointed to represent the interests of Shareholders, appropriate checks are undertaken by management before nominating or appointing candidates to the Board. Shareholders are provided with all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a director.</p> <p>Full details of the Company's policy and procedure for selection and appointment of new directors is available on the Company's website.</p>
<p><b>Recommendation 1.3</b></p> <p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	Yes	<p>The Company maintains written agreements with each of its Directors and senior executives setting out their roles and responsibilities.</p>
<p><b>Recommendation 1.4</b></p> <p>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	Yes	<p>The Company Secretary is engaged by the Company to manage the proper function of the Board. The Company Secretary reports directly to the Chair and is accountable to the Board.</p>

Principles and Recommendations	Comply (Yes/No)	Explanation
<p><b>Recommendation 1.5</b></p> <p>A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(i) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	No	<p>The Company has not adopted an express policy specifically addressing the achievement of gender diversity. Due to the current limited size of the Board, the Board does not consider it necessary to have a gender diversity policy, but will consider adopting a policy in the future. Furthermore, the Company has not set any objectives for achieving gender diversity. Should a gender diversity policy be considered appropriate for the Company in the future due to increases in size of the organisation, the policy will specifically deal with the objectives for achieving diversity.</p> <p>The Company's corporate code of conduct provides a framework for undertaking ethical conduct in employment. Under the corporate code of conduct, the Company will not tolerate any form of discrimination or harassment in the workplace.</p> <p>The Group currently has no female board members or senior executives.</p>
<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>The Board reviews its performance annually, as well as the performance of individual committees and individual directors (including the performance of the Chairman as Chairman of the Board).</p> <p>Full details of the process for performance evaluation of the Board, Board committees, individual Directors and key executives are available on the Company's website.</p>
<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	No	<p>Until Completion, the Company will not have had any senior executives and as such a policy for their performance evaluation has not been developed.</p> <p>The Company intends to develop its senior executive performance evaluation procedures in order to facilitate an evaluation to be undertaken within the first 12 months of Admission against the key objectives.</p>

Principles and Recommendations	Comply (Yes/No)	Explanation
<b>Principle 2 – Structure the Board to Add Value</b>		
<p><b>Recommendation 2.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	Yes	<p>In view of the size and resources available to the Company, it is not considered that a separate nomination committee would add any substance to this process, as such the Board as a whole will act in regards to the responsibilities of the nomination committee. Those responsibilities are outlined in the Nomination and Remuneration Committee Charter which is available on the Company's website.</p>
<p><b>Recommendation 2.2</b></p> <p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Yes	<p>The Board's skills matrix indicates the mix of skills, experience and expertise that are considered necessary at Board level for optimal performance of the Board. The matrix reflects the Board's objective to have an appropriate mix of industry and professional experience including skills such as leadership, governance, strategy, finance, risk, IT, HR, policy development, international business and customer relationship. External consultants may be brought in with specialist knowledge to address areas where this is an attribute deficiency in the Board.</p>
<p><b>Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	Yes	<p>The Company will disclose in its Annual Report those Directors it considers independent Directors and the considerations given in determining independence. The Annual Report also includes the length of service of each Director.</p>

Principles and Recommendations	Comply (Yes/No)	Explanation
<p><b>Recommendation 2.4</b></p> <p>A majority of the board of a listed entity should be independent directors.</p>	No	Given the Company's present size and scope, it is currently not the Company's policy to have a majority of independent Directors. Directors have been selected to bring specific skills and industry experience to the Company. The Board has an expansive range of relevant industry experience, financial, legal and other skills and expertise to meet its objectives.
<p><b>Recommendation 2.5</b></p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	Yes	Following Admission the Chairman, Mr Brett Sandercock will be considered independent.
<p><b>Recommendation 2.6</b></p> <p>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	Yes	Upon appointment to the Board new Directors are provided with Company policies and procedures and are provided an opportunity to discuss the Company's operations with senior management and the Board. The Company encourages its Directors to participate in professional development opportunities presented to the Company and provides appropriate industry information to its Board members on a regular basis.
<b>Principle 3 – Act Ethically and Responsibly</b>		
<p><b>Recommendation 3.1</b></p> <p>A listed entity should:</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	Yes	<p>The Company has adopted a Code of Conduct for Company executives that promote the highest standards of ethics and integrity in carrying out their duties to the Company.</p> <p>The Code of Conduct can be found on the Company's website.</p>

Principles and Recommendations	Comply (Yes/No)	Explanation
<b>Principle 4 – Safeguard Integrity in Corporate Reporting</b>		
<p><b>Recommendation 4.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, who is not the chair of the board,</li> </ul> <p>and disclose:</p> <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the relevant qualifications and experience of the members of the committee; and</li> <li>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	Partially	<p>The full Board carries out the duties that would ordinarily be assigned to the Audit and Risk Committee.</p> <p>The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of additional non-executive Directors to satisfy this recommendation.</p>
<p><b>Recommendation 4.2</b></p> <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes	<p>Consistent with the requirements of the Corporations Act and best practice recommendations, the person or persons fulfilling the functions of chief executive officer and chief financial officer are required to make a statement to the Board that the Company's financial reports present a true and fair view in all material respects of the Company's financial condition and operational results and are in accordance with relevant accounting standards.</p>
<p><b>Recommendation 4.3</b></p> <p>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	Partially	<p>The Board encourages the external auditor to attend the annual general meeting to address any shareholder questions that may arise.</p>

Principles and Recommendations	Comply (Yes/No)	Explanation
<b>Principle 5 – Make Timely and Balanced Disclosure</b>		
<p><b>Recommendation 5.1</b> A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	The Company has a specific policy and procedures regime in order to comply with its continuous disclosure obligations under the Listing Rules. A copy of the Continuous Disclosure Policy is available on the Company's website.
<b>Principle 6 – Respect the Rights of Security Holders</b>		
<p><b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.</p>	Yes	The Company maintains a website which includes information about the operations of the Company and its governance policies and procedures.
<p><b>Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	Yes	The Company has a Shareholder Communication Policy to facilitate effective shareholder communication.
<p><b>Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	Yes	The Company provides appropriate notification of and allocates scheduled question time at meetings of Shareholders to facilitate participation at those meetings.
<p><b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	Yes	Investors may inspect the Company's governance and Shareholder Communications policies via the website which lay out the options to receive communications from, and send communications to, the entity and its security registry electronically.



Principles and Recommendations	Comply (Yes/No)	Explanation
<b>Principle 7 – Recognise and Manage Risk</b>		
<p><b>Recommendation 7.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework</p>	Yes	<p>The identification and management of risk, including calculated risk-taking activity is viewed by management as an essential component in creating shareholder value. Whilst there is currently no risk committee, the Board as a whole is employed to oversee the Company's risk management framework.</p> <p>Management is responsible for developing, maintaining and improving the Company's risk management and internal control system. A register of material business risks has been established, risks have been analysed and evaluated, risk management processes and controls are in place and reporting schedules developed. Management provides the Board with periodic reports identifying areas of potential risks and the safeguards in place to efficiently manage material business risks. The Risk Management Program of the Company is available on the Company's website.</p>
<p><b>Recommendation 7.2</b></p> <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Yes	<p>Strategic and operational risks are reviewed at least annually as part of the forecasting and budgeting process. The Company has identified and actively monitors risks inherent in the industry in which the Company operates.</p>
<p><b>Recommendation 7.3</b></p> <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	Yes	<p>The Board has established a framework for the management of the Group including a system of internal controls, a business risk management process and the establishment of appropriate ethical standards. This forms part of the overall Risk Management Program employed by the Company and available on the Company's website.</p>
<p><b>Recommendation 7.4</b></p> <p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Partially	<p>As a public listed company operating in the medical technology and bio-technology industry, the Company has exposures to various risks which may include economic, environmental and social sustainability risks. The Risk Management Program employed by the Company is designed to identify and manage these risks accordingly.</p>

Principles and Recommendations	Comply (Yes/No)	Explanation
<b>Principle 8 – Remunerate Fairly and Responsibly</b>		
<p><b>Recommendation 8.1</b></p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent directors; and</li> <li>(ii) is chaired by an independent director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	Yes	<p>The Board as a whole performs the function of the Remuneration committee which includes setting the Company's remuneration structure, determining eligibilities to incentive schemes, assessing performance and remuneration of senior management and determining the remuneration and incentives of the Board.</p> <p>The Board may obtain external advice from independent consultants in determining the Company's remuneration practices, including remuneration levels, where considered appropriate.</p> <p>The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of additional independent non-executive Directors to satisfy this recommendation.</p>
<p><b>Recommendation 8.2</b></p> <p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	Yes	<p>The Company separately distinguishes the remuneration of executives and non-executive directors. Disclosure of the remuneration arrangements for Directors and senior executives are disclosed in the Annual Reports of the Company.</p>
<p><b>Recommendation 8.3</b></p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>The Company maintains a Securities Trading Policy which restricts the permission for employees and directors to enter transactions which limit the economic risks associated with the participation in the Company's equity based incentive scheme. A copy of the Share Trading Policy is available on the Company's website.</p>

## 6. Financial Information

### 6.1 Financial information

The Investigating Accountant's Report contained in Section 7 sets out:

- (a) the audited statements of financial position for the Company for the year ending 31 December 2018; and
- (b) the pro-forma balance statement of financial position.

Investors are urged to read the Investigating Accountant's Report in full.

### 6.2 Forecast financial information

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.

### 6.3 Introduction

The financial information set out in this Section includes the following:

- (a) Summary historical consolidated statement of profit or loss and other comprehensive income for Osteopore International Pte Ltd (the subsidiary) for the 12 months ended 31 December 2016 ("FY2016"), 12 months ended 31 December 2017 ("FY2017"), and the 12 months ended 31 December 2018 ("FY2018");
- (b) Summary historical statement of financial position for the subsidiary as at "FY2016", "FY2017", and "FY2018";
- (c) Summary historical consolidated statements of cash flows for the subsidiary for FY2016, FY2017, and FY2018; and
- (d) The pro forma consolidated statement of financial position of the Group at 31 December 2018 and supporting notes which includes the Pro forma transactions, subsequent events, consolidation adjustments and capital raising together referred to as the 'Historical Financial Information'.

The Historical and Pro Forma Financial Information should be read together with the other information contained in this Prospectus, including:

- (a) Management's discussion and analysis set out in this section;
- (b) The risk factors described in Section 4;
- (c) The Independent Limited Assurance Report on the Historical and Pro Forma Financial Information set out in this section of the Prospectus; and
- (d) The other information contained in this Prospectus.

Investors should also note that historical results are not a guarantee of future performance.

### 6.4 Basis of preparation of the Historical and Pro Forma Financial Information

#### (a) Background

The Historical and Pro Forma Financial Information included in this section has been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"). The Directors are not aware of any reconciliatory differences between the application of IFRS and the Australian equivalents to International Financial Reporting Standards ("AIFRS") which require disclosure within this financial information section.

The Historical and Pro Forma Financial Information is presented in an abbreviated form insofar as it does not include all the presentation, disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act 2001. Significant accounting policies applied to the Historical and Pro Forma Financial Information are noted at the end of this section under the heading 'Significant Accounting Policies'. The accounting policies of Osteopore Limited and the group entities have been consistently applied throughout the periods presented.

There are no differences between AIFRS and IFRS which impact the Osteopore Limited's financial performance and accounting policies, however there is a particular accounting standard, AASB 1054 which discusses specific disclosure for audit fees, imputation credits and a reconciliation of net operating cash flow to profit. None of this additional disclosure is relevant to the Prospectus and relates to financial statement disclosure.

The consolidated general purpose financial statements of Osteopore Limited will be prepared in accordance with the Corporations Act, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with IFRS as issued by the International Accounting Standards Board. The first reporting period under AIFRS will occur at 30 June 2019.

The historical financial statements of the subsidiary were prepared using Singapore Dollar (SGD), and are in accordance with IFRS. For the purposes of the prospectus and the disclosure in this financial information and to reflect the functional and presentational currency that Osteopore Limited will report in going forward as an ASX listed company, the Historical and Pro Forma Financial Information has been translated to Australia Dollar (AUD).

The Historical and Pro Forma Financial Information is presented in this section includes an aggregation of the following entities historical financial performance:

- (i) Osteopore Limited;
- (ii) Osteopore International Pte Ltd (Singapore); and
- (iii) Osteopore Medico Pte Ltd (Singapore).

**(b) Basis of preparation of the Historical and Pro Forma Financial Information**

The historical and Pro Forma consolidated statement of profit or loss and other comprehensive income for FY2016, FY2017, and FY2018 has been prepared on an aggregated basis as though the wholly owned subsidiaries of Osteopore Limited being Osteopore International Pte Ltd (Singapore) and Osteopore Medico Pte Ltd (Singapore) had been wholly owned subsidiaries for the whole period.

**Foreign exchange rates applied to the historical financial information**

The applied spot and average exchange rates used for the translation of the historical financial information to the pro forma financial information over the historical periods have been set out below:

	FY2018	FY2017	FY2016
AUD/SGD			
Average rate	1.0085	1.0587	1.0272
AUD/SGD			
Spot rate	0.963	1.042	1.046

**Note:**

1. Historical exchange rates used to translate the results of foreign subsidiaries is the average and spot exchange rate between foreign currencies.

Osteopore International Pte Limited's historical consolidated financial performance has been audited by Grant Thornton Singapore for the periods FY2016, FY2017 and FY2018. An unqualified audit opinion was issued for each of those periods with an Emphasis of Matter included in the audit opinion regarding the going concern assumption, this was dependent on successfully completing the proposed transaction ("the Offer") contemplated below.

Osteopore Limited was incorporated on 11 December 2018 for the sole purpose of acquiring Osteopore International Pte Limited, a company incorporated in Singapore which is involved in designing, developing and marketing bioresorbable polymer implants for neurosurgical, orthopaedic, and maxillofacial surgery use.

Pursuant to the Heads of Agreement between Osteopore Limited and Osteopore International Pte Limited shareholders, Osteopore Limited will acquire 100% of the issued share capital of Osteopore International Pte Limited in consideration for the issue of 71,027,008 shares in Osteopore Limited (the "Acquisition"), which will be apportioned between the Osteopore International Pte Limited shareholders on a pro rata basis to their shareholdings in Osteopore International Pte Limited (Singapore). The Acquisition is conditional upon the Company receiving conditional approval from the ASX to be admitted to the Official List of the ASX.

The Historical Financial Information has been translated from SGD to AUD for the purposes of the disclosure of this financial information in the prospectus. No other pro forma adjustments have been made to the historical financial information other than the foreign currency translation.

The Historical and Pro Forma Statement of Financial Position presented in the Prospectus reflects a consolidation of the Osteopore Limited Group that will comprise the Osteopore Limited Group upon listing, and therefore assumes both the acquisition and listing.

The Directors are responsible for the inclusion of all financial information in this Prospectus. Investors should note that historical financial performance is not a guide for future financial performance.

The Historical and Pro Forma Financial Information has been reviewed by Grant Thornton Corporate Finance Pty Ltd, whose Independent Limited Assurance Report is contained in Section 7 of the Prospectus. Investors should note the scope and limitations of that report. The information in this section should also be read in conjunction with the risk factors set out in Section 4 and other information contained in this prospectus.

All amounts disclosed in this section are presented in Australian Dollars unless otherwise noted.

## 6.5 Historical pro forma statement of statement of profit or loss and other comprehensive income

The table below presents the summarised historical pro forma statement of profit or loss and other comprehensive income for the periods ended FY2016, FY2017 and FY2018.

	Audited	Audited	Audited
	FY2018	FY2017	FY2016
	\$	\$	\$
Revenue	934,878	610,620	204,768
Cost of sales	(216,508)	(143,179)	(82,809)
<b>Gross Profit</b>	<b>718,369</b>	<b>467,440</b>	<b>121,959</b>
Other income	31,693	81,909	87,401
Selling and distribution expenses	(163,805)	(60,376)	(109,342)
Administrative expenses	(1,456,507)	(935,949)	(1,072,787)
<b>Loss before taxation</b>	<b>(870,249)</b>	<b>(446,975)</b>	<b>(972,768)</b>
Income tax expense	-	-	-
Other comprehensive income	-	-	-
<b>Total comprehensive loss for the year</b>	<b>(870,249)</b>	<b>(446,975)</b>	<b>(972,768)</b>

### (a) Management discussion and analysis of the historical financial performance and key operating metrics

Below is a discussion of the main factors which affected the operations and relative financial performance in FY2016, FY2017 and FY2018 which Osteopore Limited expects may continue to affect it in the future. The discussion of these general factors is intended to provide a summary only and does not detail all factors that affected the Group historical operating and financial performance, nor everything which may affect Osteopore Limited's operations and financial performance in the future.

**Revenue:** Historically revenue has been generated through the sales of bio-resorbable polymer implants for neurosurgical, orthopaedic, and maxillofacial surgery use. Revenue recorded includes both local Singaporean and international sales.

**Cost of goods sold:** refers to the material cost, patent and royalty costs associated with the products sold. Direct employment costs have not been included in cost of goods sold, instead direct labour costs have been recorded within the selling and distribution expenses.

**Gross profit:** is revenue less cost of goods sold.

**Other income:** refers to productive and innovation grants received from the Singapore Government in relation to the Enterprise Singapore incentive.

**Selling and distribution expenses and Administrative expenses:** refers to general Company overheads including direct and indirect employee costs (including senior management), occupancy costs and marketing expenses including travel and entertainment. Share based payments awarded to director Goh Khoo Seng have been recorded in the FY2018 and FY2017 periods.

## 6.6 Management discussion and analysis of the historical pro forma statement of cash flows

The table below presents the summarised historical pro forma statement of cash flows for the periods ended FY2016, FY2017, and FY2018.

	Audited	Audited	Audited
	FY2018	FY2017	FY2016
	\$	\$	\$
<b>Cash flows from operating activities</b>			
Loss before taxation	(870,250)	(446,975)	(972,769)
<i>Adjustments for:</i>			
Depreciation of plant and equipment	77,090	72,877	48,341
Impairment loss on trade receivables	-	-	42,710
Share-based payment	294,048	303,057	289,478
Foreign exchange gain	-	(6)	-
<b>Operating cash flows before changes in working capital</b>	<b>(499,112)</b>	<b>(71,047)</b>	<b>(592,240)</b>
Changes in inventories	(6,527)	21,648	(36,163)
Changes in trade receivables	(123,493)	(46,166)	51,069
Changes in other receivables	(7,462)	(12,810)	(1,091)
Changes in amount due from holding company	-	2,195	(2,091)
Changes in trade payables	131,345	31,146	(30,736)
Changes in other payables	171,133	87,142	426,979
<b>Net cash (used in) / generated from operations</b>	<b>(334,116)</b>	<b>12,108</b>	<b>(184,273)</b>
Taxation paid	-	(945)	-
<b>Net cash (used in) / generated from operating activities</b>	<b>(334,116)</b>	<b>11,163</b>	<b>(184,273)</b>
<b>Cash flows from investing activities</b>			
Acquisition of plant and equipment	(66,508)	(49,192)	(73,623)
Share application money	1,027,207	-	-
Issuance of ordinary shares	513,607	-	-
<b>Net cash generated from/(used in) investing activities</b>	<b>1,474,306</b>	<b>(49,192)</b>	<b>(73,623)</b>
<b>Cash flows from financing activities</b>			
Changes in amount due to directors	(69,015)	21,872	52,891
Changes in amounts due to related party	-	-	(90,763)
Changes in amount due to shareholders	(533,120)	13,763	99,345
Proceeds from issuance of convertible loans	-	-	201,695
<b>Net cash (used in)/generated from financing activities</b>	<b>(602,135)</b>	<b>35,635</b>	<b>263,168</b>
Net increase/(decrease) in cash and cash equivalents	538,057	(2,396)	5,273
Cash and cash equivalents at the beginning of year	33,291	36,706	29,693
Cash and cash equivalents at end of year	<b>571,348</b>	<b>34,310</b>	<b>34,966</b>

**(a) Operating cash flows**

Osteopore International Pte Ltd has historically operated at a deficit operating cash flow position as a result of the operating losses incurred with expenses incurred in research and development activities to develop the development of the bio-resorbable polymer implants with only minor revenues generated. Historically there has been minimal movements in working capital due to the limited trading.

**(b) Investing cash flows**

Investment in plant and equipment mostly comprise of manufacturing and purchase of lab equipment for the development and production of bio-resorbable polymer implants.

In FY2018 the company completed two capital raises totalling \$1,540,814 in contributed equity. The secondary capital raise totalled \$1,027,207. The company received all funds as share application monies however, the shares were not issued to the shareholders until subsequent to balance date.

**(c) Financing cash flows**

In FY2016 financing cash flows included the receipt of convertible notes that were subsequently converted to equity. In FY2018, FY2017 and FY2016 the movements in loan amounts from directors, related parties and shareholders were recognised, this also included the repayment of loans to shareholders and directors from the share capital raising in FY2018.



## 6.7 Historical pro forma statement of statement of financial position

The table below presents the summarised historical pro forma statement of financial position as at FY2016, FY2017 and FY2018.

	Audited	Audited	Audited
	31 Dec 2018	31 Dec 2017	31 Dec 2016
	\$	\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	28,102	23,654	45,146
Trade receivables	183,184	70,517	278,319
Other receivables	40,765	36,386	23,814
Amount due from holding company	-	-	273,195
Cash and cash equivalents	538,843	33,783	28,920
<b>Total Current Assets</b>	<b>790,894</b>	<b>164,340</b>	<b>649,394</b>
<b>Non-Current Assets</b>			
Plant and equipment	161,335	185,267	209,408
<b>Total Non-Current Assets</b>	<b>161,335</b>	<b>185,267</b>	<b>209,408</b>
<b>Total Assets</b>	<b>952,229</b>	<b>349,607</b>	<b>858,802</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade payables	166,673	44,539	13,926
Other payables	911,435	794,068	675,575
Amounts due to directors	369,479	484,740	465,026
Amounts due to related party	283,298	306,466	307,671
Amounts due to shareholders	13,018	555,088	543,667
Convertible notes	-	-	209,300
<b>Total Current Liabilities</b>	<b>1,743,903</b>	<b>2,184,901</b>	<b>2,215,165</b>
<b>Total Liabilities</b>	<b>1,743,903</b>	<b>2,184,901</b>	<b>2,215,165</b>
<b>Net Deficiency</b>	<b>(791,674)</b>	<b>(1,835,294)</b>	<b>(1,356,363)</b>
<b>Equity</b>			
Contributed equity	1,257,750	839,401	633,409
Share application money	963,600	-	-
Share-based payment reserve	989,248	771,747	475,211
Accumulated losses	(4,002,272)	(3,446,442)	(2,464,983)
<b>Total Equity</b>	<b>(791,674)</b>	<b>(1,835,294)</b>	<b>(1,356,363)</b>

## 6.8 Consolidated Historical Statement of Financial Position

The table below sets out the audited historical statement of financial position of Osteopore Limited, the audited historical statement of financial position of Osteopore International Pte Ltd, the pro forma adjustments that have been made to it (further described in Section 6.8(a) and the pro forma consolidated statement of financial position as at 31 December 2018.

The pro forma statement of financial position is provided for illustrative purposes only and is not represented as being necessarily indicative of Osteopore Limited's view of its future financial position.

As at 31 December 2018		Audited	Audited		
	Reference	Osteopore Limited \$	Osteopore International Pte Limited \$	Pro forma Adjustments \$	Pro-forma
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	6.8(b)	-	538,843	4,449,519	4,988,362
Trade and other receivables		-	183,184		<b>183,184</b>
Other receivables		3	40,765		<b>40,765</b>
Inventories		-	28,102		<b>28,102</b>
<b>Total Current Assets</b>		<b>3</b>	<b>790,894</b>	<b>4,449,519</b>	<b>5,240,416</b>
<b>Non-Current Assets</b>					
Plant and equipment		-	161,335		<b>161,335</b>
<b>Total Non-Current Assets</b>		<b>-</b>	<b>161,335</b>		<b>161,335</b>
<b>Total Assets</b>		<b>3</b>	<b>952,229</b>	<b>4,449,519</b>	<b>5,401,751</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Trade and other payables		-	166,673		<b>166,673</b>
Other payables	6.8(a)	-	911,435	(575,000)	<b>336,435</b>
Borrowings		-	665,795		<b>665,795</b>
<b>Total Current Liabilities</b>		<b>-</b>	<b>1,743,903</b>	<b>(575,000)</b>	<b>1,168,903</b>
<b>Total Liabilities</b>		<b>-</b>	<b>1,743,903</b>	<b>(575,000)</b>	<b>1,168,903</b>
<b>Net Assets</b>		<b>3</b>	<b>(791,674)</b>	<b>5,024,519</b>	<b>4,232,848</b>
<b>Equity</b>					
Contributed equity	6.8(c)	<b>3</b>	2,221,350	18,396,069	<b>20,617,422</b>
Reserves	6.8(e)	-	989,248	(14,928,324)	<b>(13,939,076)</b>
Accumulated losses	6.8(f)	-	(4,002,272)	1,556,774	<b>(2,445,498)</b>
<b>Total Equity/(Deficiency)</b>		<b>3</b>	<b>(791,674)</b>	<b>5,024,519</b>	<b>4,232,848</b>

### (a) Pro forma transactions

The following transactions contemplated in this Prospectus which are to take place on or before the completion of the Offer, referred to as the subsequent events and pro forma adjustments, are presented as if they, together with the Offer, had occurred subsequent to 31 December 2018 and are set out below.

With the exception of the subsequent events and pro forma transactions noted below no other material transactions have occurred between 31 December 2018 and the date of this Prospectus which the Directors consider require disclosure.

Subsequent Events:

- (i) **“Pre IPO capital raise – Osteopore International Pte Ltd”:** On 12 February 2019, Osteopore International Pte Limited completed a capital raise from existing shareholders totalling SGD \$495,212 (AUD \$514,130);
- (ii) **“Pre IPO capital raise – Osteopore International Pte Ltd”:** On 15 March 2019, Osteopore International Pte Limited completed a capital raise from existing shareholders totalling SGD \$504,765 (AUD \$520,766);
- (iii) **“Seed capital raise – Osteopore Ltd”:** On 6 June 2019, Osteopore Limited issued 2,000,000 new ordinary shares as part of the seed capital raise at an ascribed value of \$0.001 per share. The shares have been provided to advisors in connection with the initial public offering. In accordance with AASB 2 “Share Based Payments” the shares are considered consideration for services. The valuation of the share based payment provided is \$258,000;
- (iv) **“Pre IPO capital raise – Osteopore Ltd”:** On 19 June 2019, Osteopore Limited completed a capital raise from existing shareholders totalling \$252,000 representing 1,953,491 new ordinary shares at a value of \$0.129 per share;
- (v) **Net payment to creditors:** Between the period 1 January 2019 to 31 May 2019 net cash movement totalling \$807,422 were recognised relating to costs incurred by Osteopore International Pte Ltd for the administration of the business. The movement has been expensed to accumulated losses; and
- (vi) **“Director and related party loan repayment”:** Repayment of director and related party loans occurred on 25 June 2019 in the amount of \$575,000 from pre IPO capital funds.

Loan description	Opening balance \$	Repayment \$	Closing balance \$
Director loans <sup>1</sup>	250,000	(250,000)	
Amounts due to related parties	294,000	-	294,000
Amount due from third parties	586,000	(325,000)	261,000
<b>Total</b>	<b>1,130,000</b>	<b>(575,000)</b>	<b>555,000</b>

#### Notes:

- 1. Loan repayments to director Goh Khoon Seng.

### Pro forma transactions:

- (vii) **“Osteopore International Pte Ltd acquisition”**: the acquisition of the entire issued share capital of Osteopore International Pte Ltd in consideration for the issue to the Osteopore International Pte Ltd vendors of 71,027,008 new ordinary shares at a value of \$0.20 per share, and a total fair value of \$14,205,401. Further information in respect of the acquisition is set out in Section 6.8(c);
- (viii) **“Issue of options to the lead manager”**: the issue of 2,500,000 new options to the lead manager (“Alto Capital”) which are exercisable at \$0.25 on or before 30 June 2022. Utilising acceptable finance valuation methodologies the options have a fair value of \$0.115 per option totalling \$230,000. These are a deemed cost of the capital raise that have been offset against contributed equity.
- (ix) **“Issue of options to directors”**: the issue of up to 7,200,000 new options to the directors which are exercisable at \$0.25 on or before 30 June 2022. The allocation of new options to the directors are as follows:

Director	Number of options issued
Brett Sandercock	500,000
Professor Teoh Swee Hin	1,500,000
Stuart Carmichael	500,000
Geoff Pocock	1,200,000
<b>Total</b>	<b>7,200,000</b>

Utilising acceptable finance valuation methodologies the options have a fair value of \$0.115 per option totalling \$828,000. The fair value of the options issued have been recognised as a share based payment in accordance with AASB 2 “Share Based Payments”;

- (x) **“The Offer”**: the issue of up to 26,250,000 ordinary shares, at \$0.20 per share, amounting to \$5,250,000 under the Offer;
- (xi) **“Offer costs”**: total expenses associated with the Offer (including broking, legal, accounting and administrative fees as well as printing, advertising and other expenses) are estimated to be \$704,956 (exclusive of GST) under the Offer. Those costs which directly related to the issue of new shares totalled \$155,880 have been offset against contributed equity, while the remaining costs totalling \$552,076 have been expensed to accumulated losses.

## (b) Reviewed pro forma cash and cash equivalents

The reviewed pro forma cash and cash equivalents has been set out below:

	Pro forma adjustment	Pro forma \$
<b>Audited cash and cash equivalents at 31 December 2018</b>		
<i>Subsequent events:</i>		
Pre IPO capital raise Osteopore International Pte Ltd – 12 Feb 2019	6.8(a)(i)	514,130
Pre IPO capital raise Osteopore International Pte Ltd – 15 March 2019	6.8(a)(ii)	520,767
Pre IPO capital raise Osteopore Limited – 19 June 2019	6.8(a)(iv)	252,000
Net payment of creditors	6.8(a)(v)	(807,422)
Repayment of director and related party loans	6.8(a)(vi)	(575,000)
<i>Pro forma transactions:</i>		
Cash acquired from Osteopore International Pte Ltd		538,843
Proceeds from shares issued under the offer	6.8(a)(x)	5,250,000
Payment of the costs relating to the offer	6.8(a)(xi)	(704,956)
<b>Pro forma cash and cash equivalents</b>		<b>4,988,362</b>

## (c) Contributed equity

The reviewed pro forma contributed equity has been set out below:

	Pro forma adjustment	Pro forma \$
<b>Audited share capital at 31 December 2018</b>		
<b>3</b>		
<i>Subsequent events:</i>		
Pre IPO capital raise Osteopore International Pte Ltd – 12 Feb 2019	6.8(a)(i)	514,130
Pre IPO capital raise Osteopore International Pte Ltd – 15 March 2019	6.8(a)(ii)	520,767
Seed capital raise Osteopore Limited – 6 June 2019	6.8(a)(iii)	258,000
Pre IPO capital raise Osteopore Limited – 19 June 2019	6.8(a)(iv)	252,000
<i>Pro forma transactions:</i>		
Shares issued for Osteopore International Pte Ltd acquisition	6.8(a)(vii)	14,205,402
Lead manager options offset against contributed equity	6.8(a)(viii)	(230,000)
Minimum subscriptions received under the offer (before costs)	6.8(a)(x)	5,250,000
Offer costs offset against contributed equity	6.8(a)(xi)	(152,880)
<b>Pro forma share capital</b>		<b>20,617,422</b>

Osteopore Limited has entered into an agreement to acquire 100% of the issued share capital of Osteopore International Pte Ltd. The acquisition of the Osteopore International Pte Ltd has been accounted for as a restructure using predecessor accounting method (pooling of interests) on the basis it does not fall within the scope of AASB 3 “Business Combination”. The difference between the share consideration at the date of the Initial Public Offering and net assets at existing book values have been recorded in reserves totalling \$14,997,076.

#### (d) Number of shares

	Pro forma adjustment	Pro forma no of shares
<b>Audited number of shares issued at 31 December 2018</b>		<b>3</b>
<i>Subsequent events:</i>		
Seed capital raise Osteopore Limited – 6 June 2019	6.8(a)(iii)	2,000,000
Pre IPO capital raise Osteopore Limited – 19 June 2019	6.8(a)(iv)	1,953,491
<i>Pro forma transactions:</i>		
Shares issued for Osteopore International Pte Ltd acquisition	6.8(a)(vii)	71,027,008
Shares issued under the offer	6.8(a)(x)	26,250,000
<b>Pro forma shares issued</b>		<b>101,230,502</b>

#### (e) Reserves

	Pro forma adjustment	Pro forma no of shares
<b>Audited number of shares issued at 31 December 2018</b>		
<i>Pro forma transactions:</i>		
Acquisition accounting of Osteopore International Pte Ltd	6.8(a)(vii)	(14,997,076)
Fair value of the options issued to the lead manager	6.8(a)(viii)	230,000
Fair value of the options issued to directors	6.8(a)(ix)	828,000
<b>Pro forma shares issued</b>		<b>13,939,076</b>

#### (f) Accumulated losses

The reviewed pro forma accumulated losses have been set out below:

	Pro forma adjustment	Pro forma no of shares
<b>Audited accumulated losses at 31 December 2018</b>		
<i>Subsequent events:</i>		
Share based payment - Seed capital raise – 6 June 2019	6.8(a)(iii)	(258,000)
<i>Pro forma transactions:</i>		
Net payment of creditors for the period 1 Jan 2019 to 31 May 2019	6.8(a)(v)	(807,422)
Fair value of the options issued to directors	6.8(a)(ix)	(828,000)
Offer costs expensed	6.8(a)(xi)	(552,076)
<b>Pro forma accumulated losses</b>		<b>(2,445,498)</b>

## 6.9 Significant Accounting Policies

### Basis of preparation

The historical financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial information has been prepared on an accruals basis and is based on historical cost.

### Significant accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Critical accounting estimates and assumptions used and areas involving a higher degree of judgement are described below.

### Key sources of estimation uncertainty

#### Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant. Judgement is required in determining the most appropriate valuation for the shares granted, depending on the terms and conditions of the grant. The assumptions and model used are disclosed in Note 17 to the financial statements

#### Inventory valuation

Inventory is valued at the lower of cost and net realisable value. Management reviews the Group's inventory levels in order to identify slow-moving and obsolete merchandise and identifies items of inventory which have a market price, being the merchandise's selling price quoted from the market

of similar items that is lower than its carrying amount. Management then estimates the amount of inventory loss as an allowance on inventory. Changes in demand levels, technological developments and pricing competition could affect the stability and values of the inventory which could then consequentially impact the Group's results, cash flows and financial position.

#### Expected credit losses ("ECL") on trade receivables

ECL are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions. The Group and the Company considered the credit risk of their trade receivables using reasonable and supportable information available without undue cost or effort.

The Group and the Company has used three years of historical payment history and loss experience to determine the probability of default of the instruments. The Group and the Company did not identify any forward-looking information that might have a significant impact on the ECL or loss rates.

As at date of balance sheet, the ECL for trade receivables for the Group and the Company is nil.

### Summary of significant accounting policies

#### Revenue recognition

The accounting for revenue recognition before 1 January 2018 under IFRS 18 was as follows:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised.

#### Sale of goods

Revenue from sale of goods is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

The accounting for revenue recognition after 1 January 2018 under IFRS 115 is as follows:

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of its goods to a customer.

Revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the specific location agreed with customer. Following delivery, the customer has full discretion over the disposition of the goods, bears the primary responsibility and risks of obsolescence and loss in relation to the goods, as either the customer has accepted the goods in accordance with the sales contract, the acceptance provision have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

No element of financing is deemed present as the sales are made with a credit term of 30 – 60 days, which is consistent with market practice. Revenue is the amount of consideration to which the entity expects to be entitled in exchange for transferring promised goods or services. Revenue is shown net of estimated customer returns, rebates and other similar allowances.

### **Government grants**

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statements of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where the grant relates to operating expenditure, the grant income is recognised on a systematic basis in the profit or loss over the periods necessary to match the related cost which they are intended to compensate.

## **Employee benefits**

### **Short-term employee benefits**

Short-term employee benefit obligations, including accumulated compensated absences, are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

### **Defined contribution plans**

The Group participates in the defined contribution national pension schemes as provided by the laws of the countries in which it has operations. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

### **Employee leave entitlements**

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the estimated liability for unconsumed leave as a result of services rendered by employees up to the end of reporting period.

### **Share-based compensation**

The Group issues an equity-settled share-based payments to employees and/or others providing similar services. Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimate, if any, is recognised in profit or loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the equity-settled share-based payment reserve.



Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the services.

### Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's and the Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affect neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

### Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed using the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

	Useful lives
Computer	1 year
Furniture and Fittings	5 years
Plant and machinery	6 years
Renovation	5 years

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of plant and equipment, if any.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and Company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense in the period in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided on the basis of the nearest full month and to the month before disposal, respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

The gain or loss on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the profit or loss. Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

### **Impairment of non-financial assets**

The carrying amounts of the Group and the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### **Inventories**

Inventories are stated at the lower of cost or net realisable value. Costs is calculated using the first-in-first-out method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

### **Financial assets**

#### **The accounting for financial assets before 1 January 2018 under IFRS 139 is as follows:**

##### **Initial recognition and measurement**

Financial assets are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. The Group and the Company determine the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not fair value through profit or loss, directly attributable transaction costs.

##### **Loans and receivables**

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

##### **De-recognition**

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

## **The accounting for financial assets from 1 January 2018 under IFRS 9 are as follows:**

### **Amortised cost**

The Company's financial assets are debt type instruments, and mainly comprise of trade and other receivables and cash and cash equivalents. The classification of debt instruments depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

There are three prescribed subsequent measurement categories, depending on the Company's business model in managing the assets and the cash flow characteristic of the assets. The Company managed these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. The difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Company does not hold any equity instruments or classify any financial assets into either the fair value through other comprehensive income, or fair value through profit or loss measurement categories.

## **Impairment of financial assets carried at amortised cost**

In accordance with IFRS 9, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets.

For trade receivables, the Company applied the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For amount due from holding company, other receivables, and cash and cash equivalents, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

### **Financial liabilities**

The Company's financial liabilities include trade payables and amounts due to shareholders, related parties and directors. They represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the financial instrument. They are initially measured at fair value, and subsequently carried at amortised cost using the effective interest method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

The Company does not hold any financial liabilities classified as fair value through profit or loss measurement category.

### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## **Leases**

### **Operating leases**

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### **Provisions**

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

The directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.

### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

### **Currency translations**

The financial statements of each of the Groups' entities are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity

("the functional currency"). The consolidated financial statements of the Group and statements of financial position of the Company are presented in Singapore ("\$") dollar, which is also the functional currency of the Company.

### **Foreign currencies translations**

In preparing the financial statements, transactions in currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income.

However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any borrowings forming part of the net investment of the foreign operation are repaid, a proportionate share of the accumulated translation differences is reclassified to profit or loss, as part of the gain or loss on disposal. Foreign exchange gains and losses that relate to borrowings are presented in the profit or loss within "finance cost". Foreign currency gains and losses are reported on a net basis as either other income or other operating expense depending on whether foreign currency movements are in a net gain or net loss position.

## Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

## Subsidiaries

A subsidiary is an investee that is controlled by the Group. Control exists when the Group has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the Group the ability to direct activities that significantly affect the entity's returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. All significant inter-company balances and transactions are eliminated on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

## Associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group account for its investments in associates using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of the operations of associates. Distributions received from associates reduce the carrying amount of investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognise its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of equity method, the Group determine whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

## 7. Investigating Accountant's Report



The Board of Directors

Osteopore Limited  
16 Ord Street  
West Perth, WA, 6005

18 July 2019

Dear Directors,

### OSTEOPORE LTD – INVESTIGATING ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION

#### Introduction

We have been engaged by Osteopore Limited ("Osteopore", or the "Company") to report on the Historical and Pro forma Financial Information of the Company for inclusion in a Prospectus (the "Prospectus") to be dated on or about 18 July 2019 to be issued by Osteopore in respect to the offer of new shares in the Company ("Public Offer").

Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") holds an Australian Financial Services Licence (AFS Licence Number 247140). This report is both an Independent Limited Assurance Report, the scope of which is set out below, and a Financial Services Guide, as attached at **Appendix A**.

Expressions defined in the Prospectus have the same meaning in this report, unless otherwise specified.

#### Scope of this Report

You have requested Grant Thornton Corporate Finance to review the following Historical and Pro Forma Financial Information included in the Prospectus.

The Historical and Pro Forma Financial Information is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in Australia in accordance with the Corporations Act 2001.

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Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

### ***Historical and Pro Forma Financial Information***

The Historical and Pro Forma Financial Information of Osteopore, as set out in the Prospectus comprises:

- Summary historical pro forma aggregated statement of profit or loss and other comprehensive income for the group for the 12 months ended 31 December 2016 ("FY2016"), 12 months ended 31 December 2017 ("FY2017"), and the 12 months ended 31 December 2018 ("FY2018");
- Summary historical pro forma aggregated statements of cash flow for the group for FY2016, FY2017, and FY2018;
- Summary historical pro forma aggregated statements of financial position for the group for FY2016, FY2017, and FY2018;
- Historical statutory consolidated statement of financial position for Osteopore Limited as at 31 December 2018; and
- The historical pro forma consolidated statement of financial position as at 31 December 2018 which assumes completion of the proposed transactions outlined in **paragraph 6.8** of the 'Financial Information' section which includes the Offer (the 'Pro Forma Transactions') as though they had occurred on that date.

(Hereafter the "Historical and Pro Forma Financial Information").

The Historical and Pro Forma Financial Information presented in the Financial Information section includes an aggregation of the following entities historical financial performance:

- Osteopore Limited;
- Osteopore International Pte Ltd (Singapore); and
- Osteopore Medico Pte Ltd (Singapore).

The Historical Financial Information of Osteopore Limited has been extracted from the audited financial statements from the date of incorporation 11 December 2018 to 31 December 2018. No other pro forma adjustments have been made to the historical reviewed financial statements.

The Historical Consolidated Financial Information of Osteopore International Pte Ltd (Singapore) has been extracted from the audited financial statements for year ended 31 December 2018 and has been translated from SGD to AUD for the purposes of the disclosure of the financial information in the Prospectus. No other pro forma adjustments have been made to the historical reviewed financial statements other than the foreign currency translation.

The historical financial statements of Osteopore International Pte Ltd (Singapore) for the financial years FY2016, FY2017 and FY2018 were audited by Grant Thornton Singapore. An unqualified opinion with an emphasis of matter in respect to the material uncertainty to continue as a going concern was issued.

The historical financial statements of Osteopore Ltd for the period 11 December 2018 to 31 December 2018 was audited by Grant Thornton Audit Pty Ltd. An unqualified opinion with an emphasis of matter in respect to the material uncertainty to continue as a going concern was issued.

The historical and pro forma financial information has been prepared on an aggregated basis as though the wholly owned subsidiaries of Osteopore Limited being Osteopore International Pte Ltd (Singapore); and Osteopore Medico Pte Ltd (Singapore) had been wholly owned subsidiaries for the whole period.

The stated basis of preparation is the recognition and measurements principles contained in the International Financial Reporting Standards (“IFRS”) and Osteopore’s adopted accounting principles applied to the Historical and Pro Forma Financial Information.

This report has been prepared for inclusion in the Prospectus. Grant Thornton Corporate Finance disclaim any assumption of responsibility for any reliance on this report or on the Financial Information to which this report relates for any purpose other than the purposes for which it was prepared. This report should be read in conjunction with the Prospectus.

### **Directors’ Responsibility**

The Directors of Osteopore Limited are responsible for the preparation and presentation of the Historical and Pro Forma Financial Information.

This responsibility also includes compliance with applicable laws and regulations and for such internal controls as the Directors determine necessary to enable the preparation of the Historical and Pro Forma Financial Information that are free from material misstatement.

### **Our Responsibility**

Our responsibility is to express a limited assurance conclusion on the Historical and Pro Forma Financial Information based on the procedures performed and evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3420: “*Assurance Engagements to Report on the Compilation of Pro Forma Historical Pro Forma Financial Information*” and ASAE 3450: “*Assurance Engagements involving Corporate Fundraisings and/ or Prospective Historical Pro Forma Financial Information*”. Our procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures applied to the accounting records in support of the Historical and Pro Forma Financial Information.

These procedures are substantially less in scope than an audit conducted in accordance with Australian Auditing Standards, and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion on the Historical and Pro Forma Financial Information.

Our engagement did not involve updating or re issuing any previously issued audit reports on any Historical and Pro Forma Financial Information used as a source of the Historical and Pro Forma Financial Information.



## Conclusion

### *Historical and Pro Forma Financial Information*

Based on our independent review, which is not an audit, nothing has come to our attention which causes us to believe that the Historical and Pro Forma Financial Information of Osteopore Limited described in the “Financial Information” section of the Prospectus does not present fairly:

- Summary historical pro forma aggregated profit or loss and other comprehensive income statements for the group for FY2016, FY2017, and FY2018;
- Summary historical pro forma aggregated statements of cash flow for the group for FY2016, FY2017, and FY2018;
- Summary historical pro forma aggregated statements of financial position for the group for FY2016, FY2017, and FY2018;
- Historical statutory consolidated statement of financial position for Osteopore Limited as at 31 December 2018; and
- The pro forma transactions set out in paragraph 6.8 of the ‘Financial Information’ section are a reasonable basis for the historical pro forma consolidated statement of financial position as at 31 December 2018;

in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements under the IFRS as if the Pro Forma Transactions set out in in paragraph 6.8 of the ‘Financial Information’ section had occurred at 31 December 2018.

We have assumed, and relied on representations from certain members of management of Osteopore Limited, that all material information concerning the historical operations of Osteopore Limited has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

### **Restriction on Use**

Without modifying our conclusion, we draw attention to the “Financial Information” section, which describes the purpose of the Historical and Pro Forma Financial Information, being for inclusion in the Prospectus. As a result, the Historical and Pro Forma Financial Information may not be suitable for use for another purpose.

### **Consent**

Grant Thornton Corporate Finance has consented to the inclusion of this Independent Limited Assurance Report in the Prospectus in the form and context in which it is included.

### **Liability**

The liability of Grant Thornton Corporate Finance is limited to the inclusion of this report in the Prospectus. Grant Thornton Corporate Finance makes no representation regarding, and has no liability, for any other statements or other material in, or omissions from the Prospectus.

### Independence or Disclosure of Interest

Grant Thornton Corporate Finance does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Grant Thornton Corporate Finance will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD



Mitesh Ramji  
Partner and Authorised Representative



Lorenzo Stella  
Partner – Audit and Assurance



# Grant Thornton

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## Appendix A (Financial Services Guide)

This Financial Services Guide is dated 26 June 2019.

### 1 About us

Grant Thornton Corporate Finance Pty Ltd (ABN 59 003 265 987 and Australian Financial Services Licence no 247140) ("Grant Thornton Corporate Finance") has been engaged by Osteopore Limited ("Osteopore" or the "Company") to provide general financial product advice in the form of an Independent Limited Assurance Report (the "Report") in relation to the offer of CHESSE Depository Interests ("CDIs") of the Company (the "Offer"). This report is included in the prospectus dated on or about 18 July 2019 (the "Prospectus"). You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

### 2 This Financial Services Guide

This Financial Services Guide (FSG) is designed to assist retail clients in their use of any general financial product advice contained in the report. This FSG contains information about Grant Thornton Corporate Finance generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the report, and how complaints against us will be dealt with.

### 3 Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities and superannuation products and deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and superannuation products.

ABN-59 003 265 987 ACN-003 265 987 AFSL-247140

Grant Thornton Corporate Finance Pty Ltd ABN 59 003 265 987 ACN 003 265 987 a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127556 389 Holder of Australian Financial Services Licence No. 247140 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of Australian Financial Services Licensees).

**Grant Thornton Corporate Finance Pty Ltd**  
Level 43 Central Park  
152-158 St Georges Terrace  
Perth WA 6000

PO Box 7757  
Cloisters Square  
Perth WA 6850

T +61 8 9480 2000

[www.grantthornton.com.au](http://www.grantthornton.com.au)

## 4 General financial product advice

The report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

## 5 Fees, commissions and other benefits we may receive

Grant Thornton Corporate Finance charges fees to produce reports, including the report. These fees are negotiated and agreed with the entity which engages Grant Thornton Corporate Finance to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this report, Grant Thornton Corporate Finance will receive from the Company a fee of \$25,000, which is based on commercial rates plus reimbursement of out-of-pocket expenses.

Partners, Directors, employees or associates of Grant Thornton Corporate Finance, or its related bodies corporate, may receive dividends, salary or wages from Grant Thornton Australia Ltd. None of those persons or entities receive non-monetary benefits in respect of, or that is attributable to, the provision of the services described in this FSG.

## 6 Referrals

Grant Thornton Corporate Finance - including its Partners, Directors, employees, associates and related bodies corporate - does not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licenced to provide.

## 7 Associations with issuers of financial products

Grant Thornton Corporate Finance and its Partners, Directors, employees or associates and related bodies corporate may from time to time have associations or relationships with the issuers of financial products. For example, Grant Thornton Australia Ltd may be the auditor of, or provide financial services to the issuer of a financial product and Grant Thornton Corporate Finance may provide financial services to the issuer of a financial product in the ordinary course of its business.

In the context of the report, Grant Thornton Corporate Finance considers that there are no such associations or relationships which influence in any way the services described in this FSG.

## 8 Independence

Grant Thornton Corporate Finance is required to be independent of Osteopore in order to provide this report. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.



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*“Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with Osteopore (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer.*

*Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Offer, other than the preparation of this report.*

*Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Offer.*

*Grant Thornton Corporate Finance’s out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.*

## 9 Complaints

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority (AFCA) (membership no. 11800). All complaints must be in writing and addressed to the Head of Corporate Finance at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to AFCA who can be contacted at:

### **Australian Financial Complaints Authority**

GPO Box 3  
Melbourne, VIC 3001  
Telephone: 1800 367 287  
Email: [info@afca.org.au](mailto:info@afca.org.au)

Grant Thornton Corporate Finance is only responsible for the report and FSG. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

## 10 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

## 11 Contact Details

Grant Thornton Corporate Finance can be contacted by sending a letter to the following address:

### **Head of Corporate Finance**

Grant Thornton Corporate Finance Pty Ltd  
Level 17, 383 Kent Street  
Sydney, NSW, 2000

## 8. Intellectual Property Report

WRAYS

# INTELLECTUAL PROPERTY REPORT

Osteopore Limited

## INTELLECTUAL PROPERTY REPORT

17 July 2019

### **The Directors**

Osteopore Limited  
Ground Floor  
16 Ord Street  
West Perth WA 6005

Dear Sirs

This Report has been prepared for inclusion in a Prospectus required for lodgement at the Australian Securities and Investments Commission for the purpose of raising funds through the issue of securities.

### **Contents**

#### **1.0 Executive Summary**

Section 2.0 briefly sets out the background of the Osteopore Limited (ACN 630 538 957) of Ground Floor, 16 Ord Street, West Perth 6005, WA, (hereinafter 'Osteopore') intellectual property portfolio and the basis of the summary of the patent applications, patents and trade marks given in this report. Relevantly, Osteopore International Pte Ltd (hereinafter 'OIPL') – the Singaporean company which owns, co-owns and/or licenses the majority of the intellectual property discussed in this report – will become a subsidiary of Osteopore upon completion of the Offers (as defined in the Glossary of the Prospectus).

Section 3.0 describes the families of patents and patent applications owned by, co-owned by, or licensed to OIPL.

Section 4.0 explains issues that affect proprietorship of the relevant applications and registrations in the patent portfolio.

Sections 5.0, 6.0 and 7.0 provide general comments on patent procedures and protection.

Section 8.0 addresses OIPL know-how.

Section 9.0 provide general comments on trade mark procedures and protection.

Section 10.0 describes the trade mark registrations and applications owned by OIPL and its distributor.

## **2.0 Background**

OIPL has certain exclusive rights to commercialise a portfolio of Australian and international patents and patent applications and trade secrets and know-how associated with such patents and patent applications.

This Report has been prepared by Wrays. The status summary of patents, patent applications, trade marks and trade mark applications provided in this Report is correct to the best of our knowledge at the date of this Report.

## **3.0 The OIPL Patent Portfolio**

### **3.1 Background**

The information in this Report is current as at 15 July 2019.

This Report summarises the status of patents and patent applications. In compiling this Report, the filing particulars have been confirmed and the current status ascertained where possible. The patents and patent applications set out in this Section are currently in force, although they are subject to the payment of periodic (mainly annual) fees in order to maintain them in force.

### **3.2 OIPL Patent Families**

#### **3.2.1 Patent Family 1 : *Three-dimensional Bioresorbable scaffolds for tissue engineering applications***

##### US Patent US6730252

Owner: Osteopore International Pte. Ltd.



Earliest Priority Date: 20 September 2000  
Filing Date: 20 September 2001  
Listed Inventors: Swee Hin Teoh, Dietmar Werner Hutmacher, Kim Cheng Tan,  
Kock Fye Tam, Iwan Zein  
Status: Registered

US Patent US7968026

Owner: Osteopore International Pte. Ltd.  
Earliest Priority Date: 20 September 2000  
Filing Date: 20 September 2001  
Listed Inventors: Swee Hin Teoh, Dietmar Werner Hutmacher, Kim Cheng Tan,  
Kock Fye Tam, Iwan Zein  
Status: Registered

US Patent US8071007

Owner: Osteopore International Pte. Ltd.  
Earliest Priority Date: 20 September 2000  
Filing Date: 20 September 2001  
Listed Inventors: Swee Hin Teoh, Dietmar Werner Hutmacher, Kim Cheng Tan,  
Kock Fye Tam, Iwan Zein  
Status: Registered

**3.2.2 Patent Family 2 : *Bioabsorbable plug implants and method for bone tissue regeneration***

Australian Patent AU2004291022

Owner: Osteopore International Pte. Ltd  
Earliest Priority Date: 21 November 2003  
Filing Date: 22 November 2004  
Listed Inventors: Dietmar Hutmacher, Jan-Thorsten Schantz, Thiam Chye Lim,  
Ning Chou, Swee Hin Teoh, Kim Cheng Tan.  
Status: Registered

Chinese Patent CN200480040532.2

Owner: Osteopore International Pte. Ltd  
Earliest Priority Date: 21 November 2003

Filing Date: 22 November 2004  
Listed Inventors: Dietmar Hutmacher, Jan-Thorsten Schantz, Thiam Chye Lim,  
Ning Chou, Swee Hin Teoh, Kim Cheng Tan.  
Status: Registered

European Patent EP1691726

Owner: Osteopore International Pte. Ltd  
Earliest Priority Date: 21 November 2003  
Filing Date: 22 November 2004  
Listed Inventors: Dietmar Hutmacher, Jan-Thorsten Schantz, Thiam Chye Lim,  
Ning Chou, Swee Hin Teoh, Kim Cheng Tan.  
Status: Registered  
Validation States: Switzerland, Lichtenstein, Germany, Great Britain, the  
Netherlands

Hong Kong Patent HK1098037

Owner: Osteopore International Pte. Ltd  
Earliest Priority Date: 21 November 2003  
Filing Date: 22 November 2004  
Listed Inventors: Dietmar Hutmacher, Jan-Thorsten Schantz, Thiam Chye Lim,  
Ning Chou, Swee Hin Teoh, Kim Cheng Tan.  
Status: Registered

Indian Patent IN263933724/MUMNP/2006

Owner: Osteopore International Pte. Ltd  
Earliest Priority Date: 21 November 2003  
Filing Date: 22 November 2004  
Listed Inventors: Dietmar Hutmacher, Jan-Thorsten Schantz, Thiam Chye Lim,  
Ning Chou, Swee Hin Teoh, Kim Cheng Tan.  
Status: Registered

Japanese Patent JP2006541104

Owner: Osteopore International Pte. Ltd  
Earliest Priority Date: 21 November 2003  
Filing Date: 22 November 2004  
Listed Inventors: Dietmar Hutmacher, Jan-Thorsten Schantz, Thiam Chye Lim,

Ning Chou, Swee Hin Teoh, Kim Cheng Tan.  
 Status: Registered

Singaporean Patent SG122492

Owner: Osteopore International Pte. Ltd  
 Earliest Priority Date: 21 November 2003  
 Filing Date: 22 November 2004  
 Listed Inventors: Dietmar Hutmacher, Jan-Thorsten Schantz, Thiam Chye Lim,  
 Ning Chou, Swee Hin Teoh, Kim Cheng Tan.  
 Status: Registered

United States Patent US9492279

Owner: Osteopore International Pte. Ltd  
 Earliest Priority Date: 21 November 2003  
 Filing Date: 22 November 2004  
 Listed Inventors: Dietmar Hutmacher, Jan-Thorsten Schantz, Thiam Chye Lim,  
 Ning Chou, Swee Hin Teoh, Kim Cheng Tan.  
 Status: Registered

**3.2.3 Patent Family 3 : *Resorbable scaffolds for bone repair and long bone tissue engineering***

Korean Patent KR20117009836

Owner: Osteopore Korea Co. Ltd., National University of Singapore,  
 Osteopore International Pte. Ltd  
 Earliest Priority Date: 17 October 2008  
 Filing Date: 19 October 2009  
 Listed Inventors: Swee Hin Teoh, Hae-ryong Song, Soi Khoon Yew, Kelvin Hong  
 Yap Koh, Ji Hoon Bae, Joon Ho Wang.  
 Status: Registered

Singaporean Patent SG195588

Owner: Osteopore Korea Co. Ltd., National University of Singapore,  
 Osteopore International Pte. Ltd  
 Earliest Priority Date: 17 October 2008  
 Filing Date: 19 October 2009

Listed Inventors: Swee Hin Teoh, Hae-ryong Song, Soi Khoon Yew, Kelvin Hong  
Yap Koh, Ji Hoon Bae, Joon Ho Wang.  
Status: Registered

United States Patent US8702808

Owner: Osteopore Korea Co. Ltd., National University of Singapore,  
Osteopore International Pte. Ltd  
Earliest Priority Date: 17 October 2008  
Filing Date: 19 October 2009  
Listed Inventors: Swee Hin Teoh, Hae-ryong Song, Soi Khoon Yew, Kelvin Hong  
Yap Koh, Ji Hoon Bae, Joon Ho Wang.  
Status: Registered

**3.2.4 Patent Family 4 : *Bioresorbable-magnesium composite***

Australian Patent Application AU2015347339

Applicant: Nanyang Technological University  
Earliest Priority Date: 14 November 2014  
Filing Date: 13 November 2015  
Listed Inventors: Swee Hin Teoh, Jing Lim, Mark Seow Khoon Chong.  
Status: Pending Application

Chinese Patent Application CN107206120

Applicant: Nanyang Technological University  
Earliest Priority Date: 14 November 2014  
Filing Date: 13 November 2015  
Listed Inventors: Swee Hin Teoh, Jing Lim, Mark Seow Khoon Chong.  
Status: Pending Application

European Patent EP3218019

Applicant: Nanyang Technological University  
Earliest Priority Date: 14 November 2014  
Filing Date: 13 November 2015  
Listed Inventors: Swee Hin Teoh, Jing Lim, Mark Seow Khoon Chong.  
Status: Registered  
Validation States: Unavailable at this time

Indian Patent Application IN201717018354

Applicant: Nanyang Technological University  
Earliest Priority Date: 14 November 2014  
Filing Date: 13 November 2015  
Listed Inventors: Swee Hin Teoh, Jing Lim, Mark Seow Khoon Chong.  
Status: Pending Application

Korean Patent Application KR1020177016306

Applicant: Nanyang Technological University  
Earliest Priority Date: 14 November 2014  
Filing Date: 13 November 2015  
Listed Inventors: Swee Hin Teoh, Jing Lim, Mark Seow Khoon Chong.  
Status: Pending Application

Singaporean Patent Application SG2017110003878

Applicant: Nanyang Technological University  
Earliest Priority Date: 14 November 2014  
Filing Date: 13 November 2015  
Listed Inventors: Swee Hin Teoh, Jing Lim, Mark Seow Khoon Chong.  
Status: Pending Application

United States Patent Application US15/526824

Applicant: Nanyang Technological University  
Earliest Priority Date: 14 November 2014  
Filing Date: 13 November 2015  
Listed Inventors: Swee Hin Teoh, Jing Lim, Mark Seow Khoon Chong.  
Status: Pending Application

**3.2.5 Design Patent Family 5 : *Medical implant***

International Design Registration DM/102657

Applicant: National University Hospital (Singapore) Pte. Ltd., Osteopore  
International Pte Ltd  
Filing Date: 28 August 2018

Listed Inventors: Jing Lim, Vincent Diong Weng Nga, Adrian Boon Kwang Ng,  
Khoon Seng Goh, Tseng Tsai Yeo  
Designation States: Europe, Korea, Singapore, United States

#### **4.0 Proprietorship**

The patent applications and registrations in Patent Families 1 and 2 are presently in the name of OIPL, which will become a subsidiary of Osteopore.

Patent Families 1 and 2 were assigned to OIPL by the original co-applicants, National University of Singapore (**NUS**) and Temasek Polytechnic (**Temasek**) under a Deed of Assignment dated 3 March 2005. The original inventors of the inventions in Patent Families 1 and 2 assigned their rights in their respective contributions to NUS and Temasek under separate assignment agreements. A further Confirmatory Deed of Assignment dated 1 July 2019 has been signed by the original co-applicants of Patent Families 1 and 2 (i.e. National University of Singapore and Temasek Polytechnic) and OIPL to confirm the ownership of all patents in Patent Families 1 and 2 in the name of OIPL.

Patent Families 3, 4 and 5 are in the name of parties other than or, in addition to, OIPL. OIPL derives its right to exploit these patents pursuant to its rights as a co-owner and/or under certain licence agreements entered into with the owners/co-owners of the patents.

Each of the owners/co-owners of the patents in Patent Families 3, 4 and 5 (other than OIPL and Osteopore Korea Co. Ltd.) has, by way of Deed Poll, provided warranties in favour of OIPL that the owner or co-owner (as the case may be):

- (a) at all material times, had an employment agreement in place between itself and the relevant original inventors it employed;
- (b) by virtue of that employment agreement (or otherwise by operation of law), became the owner of all right, title and interest in the relevant original inventors' contributions to the invention.

In effect, this means that upon execution of the Deed Poll, the relevant owner or co-owner promises that they hold the relevant right, title and interest in Patent Families 3, 4 and 5 (rather than the individual inventors).

Osteopore Korea Co. Ltd (**OKCL**) has not provided a Deed Poll in respect of Patent Family 3 (the only patent family in which it is a co-owner) because it has been dissolved and will soon be liquidated pursuant to Korean company law.

## **5.0 Patent Protection and the Requirements for Patentability**

Patent rights constitute an important component of intellectual property, and provide protection for new, non-obvious and useful inventions for a limited period. Patents may be granted in respect of new or improved products, compositions and processes in almost all areas of current scientific, commercial and industrial activities, including pharmaceuticals.

Patent rights are essentially national rather than trans-national and a patent must be obtained in each country where protection of an invention is required. A fundamental requirement of the patent system is that the invention be 'new' at the time of lodging a patent application. Newness in this sense is judged in relation to what was publicly known or used at the date of the application. Another requirement is for a distinct inventive advance over what was previously known. This means that valid patent protection cannot be obtained for trivial or obvious developments.

Pursuant to the Paris Convention, the filing of an initial patent application in, for example, Australia establishes a priority date for the invention in Australia and all other countries that are a party to this Convention, including countries such as the United States, Canada, New Zealand, Europe and Japan.

The usual steps towards obtaining a patent in Australia and other countries in respect of an invention begin by filing of an application accompanied by a provisional specification. The filing of a provisional application establishes the priority date in respect of the invention disclosed in the provisional specification.

Within twelve months from the date of the filing of the provisional application, a complete application must be lodged otherwise the provisional application, which remains pending for only one year, ceases to exist, along with the priority date set thereby. Thus, if no application is filed within one year of the provisional application, the priority date is no longer valid. Within the one year pendency of the provisional application, in order to obtain protection in other countries, the applicant may file separate national patent applications in each of the countries in which protection is required. Alternatively, the applicant may file a single International

application under the provisions of the Patent Cooperation Treaty (generally referred to as a 'PCT' application or an 'International' application) in which it is possible to designate countries or regions in which protection is required. The International application itself does not mature into a worldwide patent, but at the end of the international phase, steps can be taken to file the application into any or all of the countries or regions designated in the original International application.

Regional patent applications, such as a European regional application, may also be filed. A European application may designate any or all countries that are a party to the European Patent Convention. A European patent application may also be extended to certain other jurisdictions including those that are not full signatories to the European Patent Convention. The European patent application is processed centrally and in a single language and, if ultimately successful, can mature into a granted European patent, which must then be validated in each country in which protection is sought, some of which require translation into that country's native language. The term 'European patent' thus actually constitutes a bundle of national patent rights, each of which can be enforced separately through national Courts.

In Australia and most other countries, patent rights may be kept in force for a period of 20 years from the date of filing of the complete application on which the patent is granted, and while the patent is in force the owner has the exclusive right to exploit the invention.

## **6.0 Potential Limitation of Patent Protection**

In most countries, a patent application is subjected to examination for novelty (and obviousness) before a patent is granted. There can be no assurance that each of the patent applications set out in Section 3.0 will result in the grant of a patent, or that the scope of protection provided by any granted patent will be identical to the scope of the application as originally filed. Furthermore, the scope of protection provided by a granted patent in one jurisdiction may differ from that provided by a granted patent in another jurisdiction, due to differences in examination and scope of available protection.

It should be noted that the grant of a patent does not guarantee validity of that patent since it may be revoked on the grounds of invalidity at any time during its life. If none of the claims of a granted patent are valid then the patent is unenforceable. For example, relevant prior disclosures may be discovered that were not raised during examination, which may limit the scope of patent protection sought, perhaps to a very narrow field.



Further, it should also be noted that the granting of a patent does not guarantee that the patentee has freedom to operate the invention claimed in the patent. It may be that working of a patented invention is prevented by the existence of another patent.

## 7.0 Co-ownership of Patents

Under Australian law, the rights of co-owners of a patent are also set out in the Patents Act. Specifically, unless there is an agreement in place otherwise, **each** owner:

- is entitled to an equal undivided share in the patent;
- can exercise the exclusive rights given by the patent for his or her own benefit without consulting or reporting to the other owners;
- cannot grant a licence under the patent, or transfer it to someone else, without the consent of the others; and
- is treated as having sold a patented product or the product of a patented process even though it may have been sold only by their co- or joint owner.

The rights of co-owners of a patent in other countries may vary from country to country, and can also be modified by agreement.

## 8.0 OIPL Trade Secrets and Know-How

OIPL, through its own efforts and through subcontracted services agreements and research partnerships, undertakes considerable research and development activity. This activity gives rise to a pool of knowledge, some of which provides a basis for formalised protection (such as patents) and some of which is retained confidentially for internal use to aid subsequent development activities (such as trade secrets and confidential know how). That is, in our opinion, OIPL has a degree of know-how and trade secrets (both developed in-house and licensed-in) that extends beyond the formalised protection described above. Further, in addition to the above, it is our understanding that OIPL takes steps to ensure the documentation of know-how and prevent leakage of IP through a combination of:

- Taking active steps within the organisation to ensure that trade secrets and know-how are treated and managed as highly confidential information;
- Maintaining a database to document, record and manage the storage, transfer and release of trade secrets and know-how;
- Incorporating confidentiality clauses into employment agreements to ensure the

information stays within OIPL;

- Entering into confidentiality agreements with potential collaborators, partners and other third parties prior to any disclosure of detailed technical information.

## **9.0 Trade Mark Protection, Procedures, and Requirements**

A trade mark is a badge of origin that is used to distinguish the goods and/or services of one trader from the goods and services of other traders. Trade marks are a tradable property right that are particularly important and valuable once a product or a process enters the market. A trade mark may be, for example, a word, phrase, letter, number, sound, smell, shape, logo, picture, aspect of packaging or a combination of these used to denote the trade source of goods and/or services.

The exclusive right of trade mark owners serves the function of consumer protection as well as protection of interests of traders in both the goodwill associated with their trade marks and the value of a registered trade mark as a property right. An Australian registered trade mark gives the owner the legal right to use, license or sell it within Australia (subject to any other conflicting laws or rights of third parties under common law – for example, superior reputational claims giving rise to confusion) for the goods and services for which it is registered. A registered trade mark gives the owner the right to prevent others from using an identical or deceptively similar mark as a badge of origin in respect of the same or closely related goods or services.

In Australia, trade marks are registered in relation to particular goods or services. These goods and services are categorised into one or more of 45 available international classes.

After lodgement, an Australian trade mark application is examined by IP Australia (the Australian Trade Marks Office).

If there are grounds for objecting to the application, an examination report will issue.

The most common grounds for objecting to a trade mark application are:

- (a) that the trade mark is descriptive of the goods or services claimed; and
- (b) that the trade mark is substantially identical with or deceptively similar to an earlier lodged trade mark application or registration, which claims the same or similar goods and/or services.

An initial 15 month period (which can be extended under certain circumstances) is provided for responding to the examination report and overcoming any objections raised.

Upon overcoming all objections the trade mark application will be accepted. Acceptance of the trade mark application will be advertised and the application will be open to opposition by a third party. If no opposition is lodged or if the opposition is unsuccessful, the trade mark will be registered.

The registration will then be in force for a period of 10 years from the date of application.

Renewal of the registration is required every 10 years, commencing from the date the application was initially filed, in order to keep the registration active. A trade mark can have infinite life as long as it is renewed every 10 years. However, if an Australian trade mark has not been used (in Australia) in relation to the claimed goods or services for three or more continuous years, it can be removed from the register upon application from a third party.

A trade mark registration is jurisdiction specific and therefore only provides a trade mark owner with rights in the country(ies) of registration. Similar principles and requirements apply to the protection of trade marks in other countries, although the examination, renewal/registration and non-use periods may vary.

## **10.0 The OIPL Trade Marks**

### **10.1 Background**

We have been informed that OIPL's trade mark portfolio consists of several trade mark applications and registrations in Australia and several overseas countries.

We have also been informed that there are several trade marks related to OIPL products which are owned by OIPL's Korean Distributor as set out further below.

In compiling this Report, the filing particulars have been confirmed and the current status ascertained. The trade marks set out in this Section are either pending examination and/or registration or registered.

### **10.2 The OIPL Trade Mark Applications and Registrations**

We have been informed that OIPL is the owner of the following trade mark applications and

registrations.

### Mark 1: OSTEOPORE

*Owner:* Osteopore International Pte Ltd

Country	Number	Classes	Status
Madrid International Registration *	1465305	10, 42	Registered
Singapore	40201823537Y	10, 42	Pending (in opposition period)
China	TBD	10, 42	Pending (application has been partially refused for all goods in class 10 due to the existence of a prior similar mark for OSTEOPRO in class 10)
Australia	2008289	10, 42	Pending (awaiting examination)
India	TBD	10, 42	Pending
Korea	1465305	10, 42	Pending (under examination)
European Community	1465305	10, 42	Pending (in opposition period)
USA	88234383	10, 42	Pending (under examination)

The current specification of goods and services for the trade mark application is as follows:

Class	Description
10	Implants; implantable medical devices for surgical use
42	Designing services of medical implants

\* Please note, a Madrid International Registration is merely a “placeholder” registration which permits the holder to designate trade mark applications in various countries. It is not a source of trade mark rights.

Mark 2:


 The logo for Osteopore, featuring the word "Osteopore" in a bold, sans-serif font. The letter "o" in "Osteopore" is stylized with a circular graphic element inside it.

*Owner:* Osteopore International Pte Ltd

Country	Number	Classes	Status
Singapore	T0905447G	10	Registered

The current specification of goods for the trade mark registration is as follows:

Class	Description
10	Medical implants

**Mark 3:**

*Owner:* Osteopore International Pte Ltd

Country	Number	Classes	Status
Singapore	T0905449C	10	Registered

The current specification of goods for the trade mark registration is as follows:

Class	Description
10	Medical implants

**Mark 4:**

*Owner:* Osteopore International Pte Ltd

Country	Number	Classes	Status
Singapore	T0905448E	10	Registered

The current specification of goods for the trade mark registration is as follows:

Class	Description
10	Medical implants

We have been informed that OIPL's Korean distributor, Kim Su Jung, owns the following marks:



Owner: Kim Su Jung

Country	Number	Classes	Status
Korea	40121638 40000	10	Registered

The current specification of goods for the trade mark registration is as follows:

Class	Description
10	Medical dental materials, dental bone grafts, dental appliances, dental bone graft replacement, dental cheekbone orthodontics, dental occlusion, dental devices, dental prosthetic stools, dental bone charger, dental implants (implants) surgical instruments, dental implants, dental implant charger, dental devices (translated from Korean)



Owner: Kim Su Jung

Country	Number	Classes	Status
Korea	40121638 60000	10	Registered

The current specification of goods for the trade mark registration is as follows:

Class	Description
10	Medical dental materials, dental implants (implants) surgical instruments, dental bone graft replacement, dental bone grafts, dental cheekbone orthodontics, dental occlusion, dental appliances, dental devices, dental and medical X-ray devices,

	dental prosthetic stools, dental bone charger, dental implants, dental bone charger, dental devices (translated from Korean)
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**OsteoMesh**  
오스테오메쉬

Mark 7:

Owner: Kim Su Jung

Country	Number	Classes	Status
Korea	40121638 50000	10	Registered

The current specification of goods for the trade mark registration is as follows:

Class	Description
10	Medical dental materials, dental implants (implants) surgical instruments, dental bone graft replacement, dental bone grafts, dental cheekbone orthodontics, dental occlusion, dental appliances, dental devices, dental and medical X-ray devices, dental prosthetic stools, dental bone charger, dental implants, dental bone charger, dental devices (translated from Korean)

### 11.0 Disclaimer and Limitations

The Report is not to be construed as a legal opinion as to the registrability of patent or trade mark applications. It should also be appreciated that the Report is not a validity opinion. No conclusions on validity based on the Report should be made. Moreover, the Report does not provide any guarantee that the subject inventions or trade marks may be commercially exploited without risk of infringement of earlier patents or trade marks.

The searches conducted for this Report and the results of which are in part relied upon in this Report, have been substantially computer based and as such, would have been limited in terms of the time periods and the geographical areas covered. All searches are subject to the accuracy and scope of the records searched as well as to the indexing and classification of those records. Moreover, any search strategy will inevitably involve some compromise between scope and cost.

### **11.1 Patent Disclaimer**

It should be noted that our search results are largely dependent upon the accuracy with which the patent office databases have been established and maintained. Note that this search cannot be taken as an indication as to whether the invention(s) infringe any patents or patent applications in force in Australia or in any other country. An infringement search in respect of Australia would require an exhaustive search of Australian Patent Office records, and an infringement search for any other country would require a similar search of that country's patent records.

#### *Limitations Due to Unpublished Documents*

Further please note that the search results are limited to patents and patent applications that have been published, i.e. are open to public inspection. This normally occurs 18 months after the original priority application has been filed with the Patent Office. The United States is an exception where certain older patent applications are not published until grant, which typically occurs between two to four years from the U.S. filing date. There may also be delays between official publication and the implementation of information onto the relevant databases. It is therefore possible that applications relevant to OIPL have been filed but not yet published, in which case such applications would not have been located by our search.

#### *Examination Reports in One Country Not Binding In Other Countries*

In most countries, patent applications undergo an independent search and examination by the local Patent Office, the results of which are not binding in other jurisdictions. Similarly, international PCT search and examination reports are not binding on national patent applications during subsequent examination in the national phase. Such reports should therefore be regarded as indicative only and not determinative of patentability. It should also be appreciated that the grant of a patent in one country provides no guarantee that patents will grant in other jurisdictions.

#### *Scope of Claims May Vary during Examination*

It is often necessary during the examination of a patent application to define the invention more specifically by amendment of the claims, so as to distinguish relevant prior art. As a result of this process, there may be variations in the claims between countries, reflecting in part the different examination procedures and threshold requirements for patentability, according to national laws. Whilst this is a relatively standard procedure, in certain circumstances, such amendments may affect the scope and hence the commercial significance of the resultant



patent protection.

*Grant of Patent Provide No Guarantee of Validity*

A granted patent provides no guarantee of validity. In most jurisdictions, a patent application undergoes a substantive examination process before proceeding to grant which confers an initial presumption of validity. However, the validity of a patent may be challenged at any time after grant, by way of revocation proceedings filed in a Court of competent jurisdiction.

*Grant of Patent Provides No Guarantee of Non-Infringement*

The grant of a patent provides no guarantee that the patentee is entitled to commercially exploit the patented invention, since the working of an invention, even if validly patented, may infringe an earlier patent or other intellectual property rights.

## **11.2 Trade Mark Disclaimer**

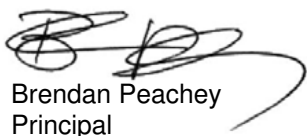
This Report is based upon the Australian Trade Marks Office records of registered, published and pending trade marks and other publicly available databases. Our searches included only those trade mark applications and registrations that had been filed, indexed, and made available online at the date of our search in the name of Osteopore International Pte Ltd. There may be a delay of a day or two (but occasionally more) between the date on which an application is filed and the date on which it first becomes available online. Accordingly, it is possible that relevant applications filed shortly before our search was conducted remain undetected. In addition, details of trade mark applications are not entered on the database records strictly in accordance with their order of receipt by the Trade Marks Office. Hence it is possible that records covered by our search do not include some trade mark applications that were filed shortly before our search was conducted. It is also possible that a relevant application that was not filed until after the search was conducted may (under the Paris Convention for the Protection of Industrial Property) claim a priority date of up to six months earlier from a trade mark application filed in another country, and that therefore would not have been located in our search. We also point out that the Trade Marks Office does not guarantee the accuracy of its computer records. The translations of the Korean trade mark specifications provided in this report have been provided by OIPL.

## 12.0 Statement of Independence

Wrays, established in 1920, is Western Australia's largest patent and trade mark attorney practice, proudly representing a significant number of Western Australia's largest businesses, in addition to numerous international and multinational clients. Neither Wrays nor any of its partners has any entitlement to any securities in Osteopore, or has any other interest in the promotion of Osteopore. Furthermore, the payment of fees to Wrays for the preparation of this Report is not contingent upon the outcome of the Prospectus.

We have given our consent to the issue of the Prospectus with this report appearing therein.

Yours sincerely  
WRAYS



Brendan Peachey  
Principal

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(08) 9216 5100



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Special Counsel

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## 9. Material Contracts

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment of whether to apply for Shares under the Public Offer. The provisions of such material contracts are summarised in this Section.

### 9.1 Implementation Agreement

The Company and Osteopore have entered into a conditional agreement (**Implementation Agreement**) which sets out the terms for the sale and purchase of 100% of the issued capital of Osteopore (**Acquisition**).

The effect of the Implementation Agreement is that, subject to satisfaction or waiver of certain conditions precedent, the Company will acquire Osteopore in consideration for an aggregate of 71,027,008 Shares, to be apportioned equally amongst the Vendors (**Consideration Shares**).

The Consideration Shares are the subject of the Consideration Offer.

The conditions precedent for the completion of the Implementation Agreement include:

- (a) the Company obtaining all necessary regulatory and shareholder approvals required to complete the Acquisition;
- (b) all Vendors accepting the offer of their respective portion of the Consideration Shares by way of executing a separate share sale agreement (see Section 9.2);
- (c) the Company receiving a letter from ASX confirming that ASX will grant conditional quotation of the Company's Shares on ASX, on terms acceptable to the Company; and
- (d) each Vendor delivering to the Company an executed restriction agreement in connection with the Consideration Shares.

The parties have until 30 August 2019 to satisfy the conditions above or such later date as agreed between the parties.

Osteopore has provided the Company with customary warranties in relation to the share capital, assets, intellectual property, and contracts of Osteopore. The remainder of the terms and conditions of the Implementation Agreement are considered standard for an agreement of this nature.

### 9.2 Share Sale Agreements

In conjunction with the Implementation Agreement, the Company has entered into a separate short form share sale agreement (**SSA**) with each of the Vendors, under which the Vendors agree, subject to the satisfaction or waiver of certain conditions precedent, to sell their respective shares held in Osteopore to the Company in consideration for their respective portion of the Consideration Shares.

The conditions precedent of each SSA include:

- (a) completion occurring under the Implementation Agreement; and
- (b) the Vendors delivering to the Company an executed restriction agreement in connection with the Consideration Shares.

The parties have until 30 August 2019 to satisfy the conditions outlined above or such later date as agreed between the parties.

Director Professor Teoh and Chief Executive Officer Mr Khoon Seng Goh are each a Vendor, and they (or their respective nominee(s)) are entitled to receive 11,573,809 and 11,184,433 Consideration Shares respectively pursuant to their SSA and in conjunction with the Implementation Agreement.

Each Vendor has provided the Company with customary warranties in relation to their respective shares held in Osteopore. The remainder of the terms and conditions of each SSA are considered standard for agreements of this nature.

### 9.3 Lead Manager Mandate

On 12 June 2019, the Company entered into a mandate to appoint Alto Capital as Lead Manager to the Company (**Lead Manager Mandate**). Pursuant to the Lead Manager Mandate, Alto Capital is engaged to provide lead manager services in connection with the Public Offer. As at the date of this Prospectus, the Company has paid Alto Capital \$8,100 for lead manager services provided under the Lead Manager Mandate.

The following fees are payable by the Company to Alto Capital pursuant to the Lead Manager Mandate:

- (a) (**Capital Raising Fee**): a fee equal to 5% of all funds raised in connection with the Public Offer by Alto Capital;
- (b) (**Lead Manager Fee**): a fee equal to 1% of all capital raised and a \$50,000 success fee (excluding GST);

- (c) **(Lead Manager Offer):** 2,500,000 Options at an issue price of \$0.0001 each, exercisable at \$0.25 each, expiring on 30 June 2022, these being the Lead Manager Options the subject of the Lead Manager Offer (see Section 10.3); and
- (d) **(Advisory Services):** \$5,000 a month ongoing corporate advisory fee for 12 consecutive months post Admission.

The Lead Manager Mandate contains additional provisions considered standard for agreements of this nature.

#### 9.4 Corporate Advisor Mandate

On 14 November 2017, Osteopore entered into a mandate to appoint Ventnor Capital as corporate advisor to Osteopore (**Corporate Advisor Mandate**). Pursuant to the Corporate Advisor Mandate, Ventnor Capital is engaged to provide corporate advisory services in connection with the Offers. As at the date of this Prospectus, the Company has paid Ventnor Capital \$183,646 for corporate advisory services provided under the Corporate Advisor Mandate.

The following fees are payable by the Company to Ventnor Capital pursuant to the Corporate Advisor Mandate:

- (a) **(Services):**
  - (i) for services provided in connection with the business evaluation, development of strategic plan and evaluation of most efficient strategy to access the Australian capital markets, \$5,000 per month (plus GST), capped at \$15,000;
  - (ii) for services provided in connection with transaction pricing/valuation, assistance with transaction structure and listing strategy, a monthly fee of \$5,000 (plus GST) capped at \$30,000;
  - (iii) for services provided in connection with the IPO transaction and Public Offer, \$10,000 per month (plus GST) for a period of 4 months or until completion of the services, whichever occurs earlier. These fees are capped at \$40,000 and are to be paid out of the funds raised from the Public Offer; and
  - (iv) out of scope services billed at market based rates;
- (b) **(Success Fee):** upon Admission, a success fee of \$100,000 (plus GST); and

- (c) **(Company Secretarial Services)** following Admission, the Company will engage Ventnor Capital for the provision of company secretarial services for an annual fee of \$50,000 (plus GST) pursuant to a separate services agreement on customary terms.

The Corporate Advisor Mandate contains additional provisions considered standard for agreements of this nature.

Mr Stuart Carmichael, a Director of the Company, is a director and shareholder of Ventnor Capital. See Section 9.5(c) for details relating to the terms of Mr Carmichael's engagement with the Company as a Director.

#### 9.5 Executive services and employment agreements

##### (a) Executive Services Agreement – Mr Goh Khoon Seng

Osteopore entered into an executive services agreement with Mr Goh Khoon Seng (**Goh Agreement**) on 1 June 2015 (and amended on 21 June 2019) pursuant to which he is engaged as a full-time employee and serves the Company and Osteopore as the Chief Executive Officer responsible for the overall management and supervision of the activities, operations and affairs of the Company, subject to the overall control and direction of the Board (**Services**).

The remuneration payable to Mr Goh for the Services is A\$260,000 per annum (S\$244,000) (inclusive of CPF contributions) (**Goh Base Salary**) and will be effective from the date of Admission. In addition, the Company will issue Mr Goh (or his nominee(s)) 11,184,433 Consideration Shares on the terms set out in Section 9.2 and has issued Mr Goh 3,500,000 Key Management Options on the terms set out in Section 10.3.

The Board may, in its absolute discretion, invite Mr Goh to participate in bonus and/or other incentive schemes that the Company may implement from time to time, subject to Shareholder approval.

In the event of a change of control, Mr Goh will receive a bonus payment equal to 12 months of the Goh Base Salary.

The Goh Agreement is for an indefinite term, continuing until terminated by either the Company or Mr Goh giving not less than three months' written notice of termination to the other party (or shorter period in limited circumstances).

Mr Goh is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of three months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Goh Agreement contains additional provisions considered standard for agreements of this nature.

**(b) Executive Services Agreement – Mr Pocock**

The Company entered into an executive services agreement with Mr Pocock (**Pocock Agreement**) on 24 June 2019 (**Commencement Date**) pursuant to which he serves the Company and Osteopore as the Executive Director responsible for investor relations, corporate operations and affairs of the Group and other agreed services, subject to the overall control and direction of the Board (**Services**).

Pursuant to the Pocock Agreement, the Company has agreed to pay Mr Pocock:

- (i) a base salary of \$96,000 per annum (plus applicable GST or superannuation) (**Pocock Base Salary**); and
- (ii) a day rate of \$1,250 (plus GST) for any international or interstate business travel requirements.

The Pocock Base Salary will become payable from 1 June 2019.

The Board may, in its absolute discretion, invite Mr Pocock to participate in bonus and/or other incentive schemes that the Company may implement from time to time, subject to Shareholder approval.

The Pocock Agreement commenced on the Commencement Date and shall continue for a period of 12 months or until terminated by either the Company giving not less than 1 months' written notice or Mr Pocock giving not less than 3 months' written notice of termination to the other party (or shorter period in limited circumstances).

Mr Pocock is subject to restrictions in relation to the use of intellectual property and confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business (other than EMvision Medical Devices Limited, of which

Mr Pocock is a director) during the continuance of his employment with the Company and for a period of 6 months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Pocock Agreement contains additional provisions considered standard for agreements of this nature.

**(c) Director Agreements – Messrs Sandercock, Carmichael, Pocock and Professor Teoh**

The Company has entered into separate director letter agreements with Messrs Sandercock, Carmichael, Pocock and Professor Teoh.

Pursuant to these letter agreements, the Company has agreed to pay:

- (i) Mr Sandercock a director's fee of \$48,000 (plus applicable GST or superannuation) per year for services provided to the Company; and
- (ii) Mr Carmichael, Mr Pocock and Professor Teoh (on and from Admission) each a director's fee of \$36,000 (plus applicable GST or superannuation) per year for services provided to the Company as Directors. The appointment of Mr Sandercock, Mr Pocock and Professor Teoh was effective from 24 June 2019 and Mr Carmichael from 11 December 2018.

**(d) Employment Agreement – Mr Lim Jing – Chief Technology Officer**

Osteopore has entered into a letter agreement with Mr Lim Jing for his appointment as Chief Technology Officer dated 17 November 2014 (**Jing Agreement**).

Pursuant to the Jing Agreement, Osteopore has agreed to pay Mr Jing S\$6,500 (plus applicable CPF) per month.

As Chief Technology Officer, Mr Jing is responsible for:

- (i) obtaining regulatory approvals required in respect of the Company's products;
- (ii) ensuring that the Company's products comply with quality guidelines;
- (iii) handling clinical trials; and
- (iv) conducting research and development work to upgrade the Company's current manufacturing capabilities.

The Jing Agreement is for an indefinite term, continuing until terminated by either the Company or Mr Jing giving not less than 1 months' written notice of termination to the other party (or shorter period in limited circumstances).

Mr Jing is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company on terms which are considered standard for agreements of this nature.

The Jing Agreement contains additional provisions considered standard for agreements of this nature.

## 9.6 NUS Licence Agreement

Osteopore is a party to a licence agreement with the National University of Singapore (**NUS**) dated 15 December 2018 (**NUS Licence Agreement**), under which NUS has agreed to grant Osteopore an exclusive licence to use, develop and commercially exploit the invention titled “Resorbable Tubular Scaffolds for Long Bone Tissue Engineering” (**Long Bone Technology**) and associated intellectual property rights in the United States, South Korea and Singapore.

The intellectual property rights granted to Osteopore under the NUS Licence Agreement include the rights conferred under Singapore Granted Patent 195588, United States Granted Patent 8,702,808 and South Korea Granted Patent 10-1726885 (**NUS Licensed Patents**).

In consideration for the rights granted under the NUS Licence Agreement, Osteopore:

- (a) agrees to pay NUS an annual royalty of 2.5% of gross revenue received by Osteopore for the exploitation or commercialisation of the Long Bone Technology and NUS Licensed Patents; and
- (b) agrees to reimburse NUS for prior expenses incurred by NUS for the protection and maintenance of the NUS Licensed Patents, totalling approximately S\$22,095 (plus GST), to be paid in monthly instalments from September 2018 until December 2019. As at the date of this Prospectus, approximately S\$6,000 has been paid to NUS as reimbursement.

NUS will retain the right to use the Long Bone Technology and NUS Licenced IP for non-commercial teaching and research purposes.

NUS may terminate the NUS Licence Agreement (with immediate effect) by providing written notice if it determines that Osteopore has not used the Long Bone Technology and NUS Licensed Patents in accordance with its statement of intent. Osteopore may elect to allow any of the NUS Licensed Patents to lapse by providing three months’ written notice to NUS.

The NUS Licence Agreement contains additional provisions considered standard for agreements of this nature.

## 9.7 National University Hospital (Singapore) Licence Agreement

Osteopore is a party to a licence agreement with National University Hospital (Singapore) Pte Ltd (**NUHS**) dated 6 December 2018 (**NUHS Licence Agreement**), under which NUHS has agreed to grant Osteopore an exclusive, worldwide licence to use, develop and commercially exploit the invention titled “Bioresorbable U-Channel plug for filling of Burr Holes for tissue regeneration” (**U-Channel Technology**) and associated intellectual property rights.

The intellectual property rights granted to Osteopore under the NUHS Licence Agreement include the rights conferred under international design registration DM/102657 (filed on 28 August 2018), which has designations in Singapore, European Union, Republic of Korea and the United States (**NUHS Licensed Design**).

The NUHS Licence Agreement acknowledges that the U-Channel Technology and NUHS Licensed Design are jointly owned by NUHS and Osteopore in equal shares.

In consideration for the rights granted under the NUHS Licence Agreement, Osteopore shall pay NUHS a 1% royalty of the selling price of any product which incorporates the U-Channel Technology, or which is made pursuant to the rights granted under the NUHS Licensed Design (**NUHS Licensed Product**).

Under the NUHS Licence Agreement:

- (a) NUHS and Osteopore agree to share expenses incurred in relation to the NUHS Licensed Design in equal proportions;
- (b) Osteopore agrees to bear all costs for subsequent application, renewal and maintenance fees for any applications and patents filed in respect of the NUHS Licensed Design;
- (c) Osteopore has the right (subject to certain conditions) to grant sublicenses in respect of the U-Channel Technology and NUHS Licensed Design;
- (d) Osteopore is entitled (subject to certain conditions) to manufacture or use NUHS Licensed Products under any trade marks designated by Osteopore; and

- (e) Osteopore may elect to allow any patent application in connection with the NUHS Licence Agreement to lapse by providing three months' written notice to NUHS, in which case NUHS will be entitled to assume the maintenance of that patent application jointly in the name of both parties.

Osteopore may terminate the NUHS Licence Agreement by giving 90 days' written notice to NUHS. NUHS may terminate the NUHS Licence Agreement immediately by written notice if Osteopore:

- (a) defaults under the NUHS Licence Agreement and fails to remedy such default within 30 days after receiving written notice of the default;
- (b) fails to notify NUHS of its intention to cease, or ceases, prosecution or maintenance of any patents as required under the NUHS Licence Agreement; or
- (c) becomes insolvent, goes into liquidation, or has a receiver appointed over any of its assets or undertaking.

Unless terminated earlier, the NUHS Licence Agreement will continue until the expiration of the last-to-expire patent granted in respect of the NUHS Licensed Design.

The NUHS Licence Agreement contains additional provisions considered standard for agreements of this nature.

## 9.8 NTUPL Licence Agreement

Osteopore is a party to a licence agreement with Nanyang Technological University – Ntuitive Pte Ltd (**NTUPL**), a subsidiary of NTU dated 10 August 2016 (**NTUPL Licence Agreement**). Under the NTUPL Licence Agreement, NTUPL has agreed to grant Osteopore an exclusive, worldwide licence to use, develop and commercially exploit the invention titled "Low Temperature, Solvent Free Processing of Bioresorbable-Magnesium Composite" (**BMC Technology**) and associated intellectual property rights in the field of regenerative medicine, therapeutics and dental applications.

The intellectual property rights granted to Osteopore under the NTUPL Licence Agreement include the rights conferred under patent application PCT PCT/SG2015/050449 (filed on 14 November 2014) and related patents (**NTUPL Licensed Patents**).

The NTUPL Licence Agreement acknowledges that the BMC Technology and NTUPL Licensed Patents are owned solely by NTUPL. It is also acknowledged that Osteopore will use diligent efforts to introduce into the commercial market as soon as practicable products which incorporate the BMC Technology, or which are made pursuant to the rights granted under the NTUPL Licensed Patents (**NTUPL Licensed Products**).

The consideration payable by Osteopore to NTUPL for the rights granted under the NTUPL Licence Agreement includes:

- (a) S\$5,000 (plus GST) upon signing the NTUPL Licence Agreement (which has been paid);
- (b) S\$5,000 (plus GST) to be paid by the end of the year during which the FDA's approval of NTUPL Licensed Products is completed; and
- (c) 1,000 fully paid ordinary shares in Osteopore (which has been issued).

Under the NTUPL Licence Agreement:

- (a) for a period of 10 years from signing the NTUPL Licence Agreement, NTUPL grants Osteopore a first option to licence any invention or know-how in the field of scaffolding material for bone growth created or developed by Professor Teoh Swee Hin, while under the employment of NTUPL;
- (b) Osteopore shall reimburse NTUPL for all prior preparation, filing, prosecution and maintenance expenses incurred by NTUPL in respect of the NTUPL Licensed Patents in the amount of S\$14,629.30 (which has been partially paid to date);
- (c) Osteopore is responsible for, and shall pay all future expenses incurred in connection with, managing the prosecution and maintenance of the NTUPL Licensed Patents; and
- (d) Osteopore may elect to allow any patent application in respect of the NTUPL Licensed Patent to lapse by providing 60 days' written notice to NTUPL, in which case NTUPL will be entitled to assume the maintenance of that patent application.

NTUPL will retain the right to use the BMC Technology and NTUPL Licensed Patents for non-commercial teaching and research purposes.

Osteopore may terminate the NTUPL Licence Agreement by giving 90 days' written notice to NTUPL. NTUPL may terminate the NTUPL Licence Agreement immediately by written notice if Osteopore:

- (a) defaults under the NTUPL Licence Agreement and fails to remedy such default within 60 days after receiving written notice of the default;
- (b) asserts a patent or any other intellectual property right against NTUPL;
- (c) ceases or announces its intention to cease to carry on its business; or
- (d) becomes insolvent, goes into liquidation, or has a receiver appointed over any of its assets or undertaking.

Unless terminated earlier, the NTUPL Licence Agreement will continue until the later of the expiration of the last-to-expire patent granted in respect of the NTUPL Licensed Patents or 20 years from the first commercial sale of an NTUPL Licensed Product.

The NTUPL Licence Agreement contains additional provisions considered standard for agreements of this nature.

## 9.9 NUS Deed of Assignment

Osteopore is a party to a deed of assignment with NUS and Temasek Polytechnic (collectively, **Assignors**) dated 3 March 2005, under which the Assignors have agreed to assign to Osteopore the inventions known as "Three dimensional scaffolds for tissue engineering" and "Bioresorbable Burr Hole Plug Design for Bone Regeneration in Cranioplasty" (**Assigned Technology**) and associated intellectual property rights (**NUS Deed of Assignment**).

The intellectual property rights assigned to Osteopore under the NUS Deed of Assignment include the rights conferred under US Granted Patent 6730252 (including two divisional patents thereunder), US Granted Patent 9492279(B2) (dated 15 November 2016 with a priority filing of 21 November 2003) (**Assigned Patents**) and copyright in the research notes, test results and data related to the Assigned Patents.

Under the NUS Deed of Assignment:

- (a) NUS shall continue to be responsible for any filings and prosecution and maintenance of all patent applications filed in respect of the Assigned Technology, including the Assigned Patents; and

- (b) Osteopore agrees to reassign the Assigned Technology and Assigned Patents back to the Assignors upon the liquidation of Osteopore or in the event of a change of business of Osteopore resulting in the abandonment of the use of the Assigned Technology.

In consideration for the rights granted under the NUS Deed of Assignment, Osteopore:

- (a) has agreed to pay a fee in aggregate of S\$150,000 (plus GST) to NUS (of which \$17,586 is owing);
- (b) shall pay royalties of:
  - (i) 2.5% of the net sales value in respect of all sales of products which embody the Assigned Technology;
  - (ii) 1% of the net sales value in respect of all other products, which could not have otherwise been made without the Assigned Technology; and
  - (iii) 5% of revenue generated by Osteopore from licensing the Assigned Technology and Assigned Patents to any third party licensees; and
- (c) has issued to the Assignors 3,086 fully paid ordinary shares in Osteopore, representing 4% of the total shareholding of Osteopore until Osteopore received total investment funding of S\$1 million.

The share issuance and royalties set out above are payable to each of the Assignors in equal proportions.

The NUS Deed of Assignment contains additional provisions considered standard for agreements of this nature.

## 9.10 Software Licence Agreement

Osteopore is a party to a software licence agreement with Exploit Technologies Private Limited (**Exploit**) dated 25 July 2017 (**Software Licence Agreement**). Under the Software Licence Agreement, Exploit has agreed to grant Osteopore a non-exclusive licence to use its fused deposition modelling (FDM) 3D printing instruction software (**Licensed Software**), for a perpetual term. The Licensed Software is a customised software used to import STL models and export x-y-z coordinates of tool paths for FDM 3D printing.



In consideration for the rights granted under the Software Licence Agreement, Osteopore has agreed to pay Exploit a licence fee of S\$2,500 which has been paid.

The Software Licence Agreement contains additional provisions considered standard for agreements of this nature.

### 9.11 Distribution Agreements

Osteopore is a party to a number of distribution agreements (**Distribution Agreements**). Under each Distribution Agreement, Osteopore has appointed a distributor to exclusively market, promote and distribute Osteopore's products within a specified territory. Each Distribution Agreement is for a specified term, which is subject to renewal for an additional period upon mutual written agreement by the parties.

Each Distribution Agreement provides for the purchase by the distributor of a certain quantity of Osteopore's products during the term in order to meet its sales goals (as applicable). All purchase orders are made in writing to Osteopore and pursuant to the purchase price stated in each Distribution Agreement.

Each distributor is entitled to indicate to the public that it is an authorised distributor of Osteopore's products and to advertise within the territory such products under the trade marks and trade names that Osteopore may adopt from time to time.

Each Distribution Agreement will be terminated automatically:

- (a) upon the institution against either party of insolvency, receivership or bankruptcy proceedings; or
- (b) the distributor's violation of the code of conduct set out in the agreement.

Each Distribution Agreement may be terminated by Osteopore upon:

- (a) failure by the distributor to pay any amount owing to Osteopore under the Distribution Agreement for more than 90 days;

- (b) failure by the distributor to comply with post market requirements pertaining to tracking, vigilance and reporting procedures per ISO 13485 and any national or state requirements;
- (c) failure by the distributor to obtain all regulatory approvals required to sell and distribute Osteopore's products in the territory;
- (d) war, insurrection, invasion and extended civil commotion in the territory;
- (e) acquisition of any part of Osteopore's assets by any third party (governmental, private or public); or
- (f) the direct or indirect control of the distributor or any part of the assets of the distributor by any such third party.

The Distribution Agreements contain additional provisions considered standard for agreements of this nature.

### 9.12 Loan Arrangements

On 13 November 2007, Professor Teoh Swee Hin provided a loan to a Singaporean entity, Irenne Pte Ltd (**Irenne**) (an unrelated party of Osteopore) for the purpose of providing working capital funds to Osteopore. The original loan amount was S\$300,000. As at the date of the Prospectus the amount owing is S\$294,000. The loan is subject to 0% interest and repayable on demand. It is the intention of Professor Teoh Swee Hin to agree the basis for repayment with Irenne following Admission. In the event Irenne calls for repayment of the loan, the Company will repay the funds from working capital as set out in Section 1.6.

### 9.13 Deeds of indemnity, insurance and access

The Company is party to a deed of indemnity, insurance and access with each of the Directors and the Company Secretary. Under these deeds, the Company indemnifies each Director and the Company Secretary to the extent permitted by law against any liability arising as a result of the Director or officer acting as a director or officer of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director or officer and must allow the Directors and officers to inspect board papers in certain circumstances. The deeds are considered standard for documents of this nature.

## 10. Additional information

### 10.1 Rights attaching to Shares

A summary of the rights attaching to the Shares is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

- (a) **(Ranking of Shares):** At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.
- (b) **(Voting rights):** Subject to any rights or restrictions, at general meetings:
  - (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
  - (ii) has one vote on a show of hands; and
  - (iii) has one vote for every Share held, upon a poll.
- (c) **(Dividend rights):** Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive. Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.
- (d) **(Variation of rights):** The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

- (e) **(Transfer of Shares):** Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel.

- (f) **(General meetings):** Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.
- (g) **(Unmarketable parcels):** The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.
- (h) **(Rights on winding up):** The assets of the Company must on a winding up be applied in repayment to members in proportion to their respective holdings.

### 10.2 Summary of the Company's Employee Securities Incentive Plan

The Osteopore Employee Securities Incentive Plan (**Plan**) was adopted by the Board on 18 July 2019. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Plan is set out below:

#### (a) Eligible Participant

Eligible Participant means a person that:

- (i) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
- (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.

**(b) Purpose**

The purpose of the Plan is to:

- (i) assist in the reward, retention and motivation of Eligible Participants;
- (ii) link the reward of Eligible Participants to Shareholder value creation; and
- (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

**(c) Plan administration**

The Plan will be administered by the Board.

The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

**(d) Eligibility, invitation and application**

- (i) The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.
- (ii) On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.
- (iii) If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

**(e) Grant of Securities**

The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

**(f) Terms of Convertible Securities**

Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option, performance share or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

**(g) Vesting of Convertible Securities**

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

**(h) Exercise of Convertible Securities and cashless exercise**

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will

transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

**(i) Delivery of Shares on exercise of Convertible Securities**

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

**(j) Forfeiture of Convertible Securities**

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

- (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

**(k) Change of control**

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

**(l) Rights attaching to Plan Shares**

All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank *pari passu* in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

**(m) Disposal restrictions on Plan Shares**

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

**(n) Adjustment of Convertible Securities**

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

**(o) Participation in new issues**

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

**(p) Amendment of Plan**

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment,

other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

**(q) Plan duration**

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

### 10.3 Options Terms

The following terms and conditions apply to the Key Management Options and Lead Manager Options:

**(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

**(b) Issue Price**

The Key Management Options were issued for nil cash consideration and the Lead Manager Options will be issued for \$0.0001 each.

**(c) Exercise Price and Expiry Date**

The Options have an exercise price of \$0.25 per Option and will expire at 5:00pm (WST) on 30 June 2022.

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**(d) Exercise Period**

The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

**(e) Quotation of the Options**

The Options will be unquoted.

**(f) Transferability of the Options**

The Options are not transferable, except with the prior written approval of the Company.

**(g) Notice of Exercise**

The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

**(h) Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Share Registry.

**(i) Shares Issued on Exercise**

Shares issued on exercise of the Options rank equally with the then Shares of the Company.

**(j) Quotation of Shares on Exercise**

Application will be made by the Company to ASX, on the Business Day the Shares are issued, for quotation of the Shares issued upon the exercise of the Options.

**(k) Timing of Issue of Shares**

Within 15 business days after the later of the following:

- (i) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (iii) issue the Shares pursuant to the exercise of the Options;

- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

- (v) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

**(l) Participation in New Issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

**(m) Adjustment for Bonus Issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

**(n) Adjustment for Entitlements Issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which Section 10.3(m) will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.

**(o) Adjustments for Reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholders will be varied in accordance with the Listing Rules.

## 10.4 Effect of the Offers on control and substantial Shareholders

Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows. See Section 5.5 for further details on each of the Shareholders' holdings listed in the tables below.

Name	Number of Shares	% of Shares
Celery Pty Ltd	1,116,279	28.24%
SBV Capital Pty Ltd <sup>1</sup>	1,000,001	25.29%
Altor Capital Management Pty Ltd	200,000	5.06%

### Notes:

1. Mr Stuart Carmichael, a Director of the Company, is a director and shareholder of SBV Capital Pty Ltd.

Based on the information known as at the date of this Prospectus, the Public Offer and Secondary Offers being fully subscribed, and completion of the Consideration Offer, on Admission, the following persons will have an interest in 5% or more of the Shares on issue:

Name	Number of Shares	% of Shares
The Rain Maker Mgmt Pte Ltd	16,785,927	16.6%
Goh Khoo Seng	10,801,769	10.7%
Henry Yu	9,084,936	9.0%
Professor Teoh Swee Hin	7,729,309	7.6%
Marcus Liew	7,142,785	7.1%

## 10.5 Interests of Promoters, Experts and Advisers

### (a) No interest except as disclosed

Other than as set out below or elsewhere in this Prospectus, no persons or entity named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

- (i) the formation or promotion of the Company;
- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

### (b) Share registry

Link Market Services has been appointed to conduct the Company's share registry functions and to provide administrative services in respect of the processing of the Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

### (c) Auditor

Grant Thornton Audit Pty Ltd has been appointed to act as auditor to the Company. Grant Thornton Audit LLP acts as the auditor in relation to the audit of Osteopore International Pte Ltd. During the 24 months preceding lodgement of this Prospectus with ASIC, Grant Thornton Audit LLP has received \$48,848 in fees from Osteopore International Pte Ltd for audit and assurance services in relation to the audit of Osteopore International Pte Ltd for the years ending 31 December 2016 to 31 December 2018.

**(d) Legal adviser (Australia)**

Bellanhouse has acted as the Australian solicitors to the Company in relation to the Offers. The Company estimates it will pay Bellanhouse \$80,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Bellanhouse has not provided services to the Company.

**(e) Legal adviser (Singapore)**

Tan Rajah & Cheah has acted as the Singaporean solicitors to Osteopore and Osteopore Medico Pte Ltd in relation to Singaporean corporate law matters related to the Offers. The Company estimates it will pay Tan Rajah & Cheah \$15,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Tan Rajah & Cheah has not provided services to the Company.

**(f) Intellectual Property**

Wrays has acted as the Intellectual Property Expert for the Company and has prepared the Intellectual Property Report in Section 8. The Company estimates it will pay Wrays a total of \$8,000 for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Wrays has not provided services to the Company.

**(g) Investigating Accountant**

Grant Thornton Corporate Finance Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 7 of this Prospectus. The Company estimates it will pay Grant Thornton Corporate Finance Pty Ltd a total of \$20,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC Grant Thornton Corporate Finance Pty Ltd has not provided services to the Company.

**(h) Lead Manager**

Alto Capital has acted as the Lead Manager to the Offers. Details of the payments to be made to Alto Capital are set out in Section 9.3. During the 24 months preceding lodgement of this Prospectus with ASIC, Alto Capital has acted for the Company and has invoiced fees in the amount of \$8,100 (excluding GST).

**(i) Corporate Advisor**

Ventnor Capital has acted as the Corporate Advisor to the Company and Osteopore. Details of the payments to be made to Ventnor Capital are set out in Section 9.4. During the 24 months preceding lodgement of this Prospectus with ASIC, Ventnor Capital has acted for the Company and Osteopore and has invoiced fees in the amount of \$206,822 (excluding GST).

## 10.6 Consents

**(a) General**

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

**(b) Each of the parties referred to below:**

- (i) does not make the Offers;
- (ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;
- (iii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and
- (iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.



**(c) Share Registry**

Link Market Services Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Share Registry of the Company in the form and context in which it is named.

**(d) Auditor**

Grant Thornton Audit Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as auditor of the Company in the form and context in which it is named.

**(e) Legal adviser (Australia)**

Bellanhouse has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Australian legal adviser to the Company in the form and context in which it is named.

**(f) Legal adviser (Singapore)**

Tan Rajah & Cheah has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Singaporean legal adviser to Osteopore and Osteopore Medico Pte Ltd in the form and context in which it is named.

**(g) Intellectual Property Expert**

Wrays has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Intellectual Property Expert to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Intellectual Property Report in the form and context in which it is included.

**(h) Investigating Accountant**

Grant Thornton Corporate Finance Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Investigating Accountant's Report in the form and context in which it is included.

**(i) Lead Manager**

Alto Capital has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Lead Manager to the Offers in the form and context in which it is named.

**(j) Corporate Advisor**

Ventnor Capital has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the corporate advisor to the Company in the form and context in which it is named.

**10.7 Expenses of Offers**

The total approximate expenses of the Offers payable by the Company are:

<b>Fees</b>	<b>\$</b>
ASIC Lodgement Fee	3,206
ASX Quotation Fee	86,100
Legal Fees	95,000
Investigating Accountant Fees	20,000
Intellectual Property Report	8,000
Corporate Advisor IPO Success Fee <sup>1</sup>	100,000
Capital Raising Fee <sup>2</sup>	365,000
Prospectus design and printing	12,650
Share Registry Fees	10,000
Other administrative and miscellaneous expenses	5,000
<b>Total estimated expenses</b>	<b>704,956</b>

**Notes:**

1. Refer to Section 9.4 for a summary of the Corporate Advisor Mandate.
2. Refer to Section 9.3 for a summary of the Lead Manager Mandate.

## 10.8 Continuous Disclosure Obligations

Following Admission, the Company will be a “disclosing entity” (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## 10.9 Litigation

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Group is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

## 10.10 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the relevant electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

## 10.11 Documents available for inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 10.6 of this Prospectus.

## 10.12 Statement of Directors

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in the financial information in Section 6, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

## 11. Authorisation

The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:

A handwritten signature in black ink that reads "B. Sandercock". The signature is written in a cursive, slightly slanted style.

**Brett Sandercock**

Non-Executive Chairman

Dated: 25 July 2019

## 12. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** or **A\$** means Australian dollars.

**Acquisition** means the Company's acquisition of 100% of the issued capital of Osteopore by way of the Implementation Agreement.

**Admission** means admission of the Company to the Official List, following completion of the Offers.

**Allotment Date** means the date, as determined by the Directors, on which the Shares offered under this Prospectus are allotted, which is anticipated to be the date identified in the Indicative Timetable.

**Alto Capital** means Alto Capital (AFSL:279099) (Trading as ACNS Capital Markets Pty Ltd).

**Applicant** means a person who submits an Application Form.

**Application** means a valid application for Securities pursuant to this Prospectus.

**Application Form** means the Public Offer Application Form, the Lead Manager Offer Application Form or the Corporate Adviser Offer Application Form, as the context requires.

**Application Monies** means application monies for Shares under the Public Offer received and banked by the Company.

**ASIC** means the Australian Securities and Investments Commission.

**Assigned Patents** has the meaning given in Section 9.9.

**Assigned Technology** has the meaning given in Section 9.9.

**Assignors** means NUS and Temasek Polytechnic.

**ASX** means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it.

**ASX Settlement** means ASX Settlement Pty Limited ACN 008 504 532.

**ASX Settlement Rules** means ASX Settlement Operating Rules of ASX Settlement Pty Ltd ABN 49 008 504 532.

**Auditor** means Grant Thornton Audit Pty Ltd.

**BMC Technology** has the meaning given in Section 9.8.

**Board** means the board of Directors of the Company as at the date of this Prospectus.

**Burr Hole** has the meaning given in Section 2.5.

**CAGR** means compound annual growth rate.

**CHES** means the Clearing House Electronic Subregister System operated by ASX Settlement.

**Closing Date** means the date that the Offers closes which is 5.00pm (Sydney time) on 23 August 2019 or such other time and date as the Board determines.

**Company** means Osteopore Limited ACN 630 538 957.

**Consideration Offer** has the meaning given on the cover page of this Prospectus.

**Consideration Share Application Form** has the meaning given in Section 1.10(c).

**Consideration Shares** has the meaning given in Section 9.1.

**Constitution** means the constitution of the Company.

**Corporate Advisor Mandate** has the meaning given in Section 9.4.

**Distribution Agreement** has the meaning given in Section 9.11.

**CE Mark** is a certification mark that indicates conformity with health, safety and environmental protection standards for products sold within the European Economic Area.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company.

**Electronic Prospectus** means the electronic copy of this Prospectus located at the Company's website [www.osteopore.com](http://www.osteopore.com).

**Eligible Participant** has the meaning given in Section 10.2(a).

**Exercise Price** means the price at which the Key Management Options and Lead Manager Options may be exercised, as set out in the table in Section 10.3.

**Expiry Date** means the date upon which the Key Management Options and Lead Manager Options expire as set out in the table in Section 10.3.

**Exploit** means Exploit Technologies Private Limited.

**Exposure Period** means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

**FDA** means the Food and Drug Administration, a federal agency of the United States' Department of Health and Human Services.

**Goh Agreement** has the meaning given in Section 9.5(a).

**GST** means Goods and Services Tax.

**Group** means the Company and each of its associated bodies corporate.

**Indicative Timetable** means the indicative timetable for the Offers on page viii of this Prospectus.

**Implementation Agreement** has the meaning given in Section 9.1.

**Investigating Accountant** means Grant Thornton Corporate Finance Pty Ltd.

**Investigating Accountant's Report** means the report contained in Section 7.

**Irenne** means Irenne Pte Ltd.

**Key Management Options** means the Options issued to key management personnel on the terms and conditions set out in Section 10.3.

**Lead Manager** means Alto Capital (AFSL:279099) (Trading as ACNS Capital Markets Pty Ltd).

**Lead Manager Mandate** has the meaning given in Section 9.3.

**Lead Manager Offer** has the meaning given on the cover page of this Prospectus.

**Lead Manager Offer Application Form** has the meaning given in Section 1.10(d).

**Lead Manager Options** means the Options to be issued to the Lead Manager (or nominees) under the Lead Manager Offer under the terms set out in Section 10.3.

**Licensed Software** has the meaning given in Section 9.10.

**Listing Rules** means the listing rules of ASX.

**Long Bone Technology** has the meaning given in Section 9.6.

**Minimum Subscription** has the meaning given in Section 1.2.

**Notice of Exercise** has the meaning given in Section 10.3.

**NTU** means the Nanyang Technological University of Singapore.

**NTUPL** means Ntuitive Pte Ltd.

**NTUPL Licence Agreement** means the licence agreement between Osteopore and NTU dated 10 August 2016.

**NTUPL Licensed Patents** has the meaning given in Section 9.8.

**NTUPL Licensed Products** has the meaning given in Section 9.8.

**NUS** means the National University of Singapore.

**NUS Deed of Assignment** means the deed of assignment between Osteopore, NUS and Temasek Polytechnic dated 3 March 2005.

**NUS Licence Agreement** means the licence agreement between Osteopore and NUS dated 15 December 2018.

**NUS Licenced Patents** has the meaning given in Section 9.6.

**NUHS** means National University Hospital (Singapore) Pte Ltd.

**NUHS Licence Agreement** means the licence agreement between Osteopore and NUHS dated 6 December 2018.

**NUHS Licensed Design** has the meaning given in Section 9.7.

**NUHS Licensed Product** has the meaning given in Section 9.7.

**Offers** means the Public Offer, the Consideration Offer and the Lead Manager Offer.

**Offer Price** means \$0.20 per Share under the Public Offer.

**Official List** means the official list of ASX.

**Official Quotation** means official quotation by ASX in accordance with the Listing Rules.

**Opening Date** means the date specified as the opening date in the Indicative Timetable.

**Option** means an option to acquire a Share.

**Original Prospectus** means the Company's prospectus dated 18 July 2019 and lodged with ASIC on that date.

**Osteopore** means Osteopore International Pte Ltd.

**PCL** means polycaprolactone, an FDA-approved polymer that is bioresorbable, malleable, slow-degrading and possess mechanical strength similar to trabecular bone.

**Plan** means the Osteopore Limited Employee Incentive Plan.

**Pocock Agreement** has the meaning given in Section 9.5(b).

**Prospectus** or **Replacement Prospectus** means this prospectus dated 25 July 2019.

**Public Offer** or **IPO** has the meaning given in Section 1.1.

**Public Offer Application Form** means the Application Form accompanying this Prospectus in respect of the Public Offer.

**Secondary Offers** means the Consideration Offer

and the Lead Manager Offer.

**Section** means a section of this Prospectus.

**Securities** means any securities, including Shares, Options, or performance shares or other convertible securities, issued or granted by the Company.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Registry** means Link Market Services Limited ACN 083 214 537.

**Shareholder** means a holder of one or more Shares.

**Software Licence Agreement** means the software licence agreement between Osteopore and Exploit dated 25 July 2017.

**U-Channel Technology** has the meaning given in Section 9.7.

**Vendors** means the persons holding fully paid ordinary shares in Osteopore.

**Ventnor Capital** means Ventnor Capital Pty Ltd ACN 111 543 741.

**Ventnor Securities** means Ventnor Securities Pty Ltd (Authorised Representative Number 000408858).

**WST** means Western Standard Time, being the time in Perth, Western Australia.



Osteopore<sup>®</sup>