



## Osprey Medical Inc. - Revised CEO Capital Raising Presentation

**Minnesota, United States and Melbourne, Australia – August 4, 2016** – Osprey Medical Inc. (ASX:OSP) has replaced slide 7 of the CEO Capital Raising Presentation to correct the formatting of the two charts on that slide. The revised presentation is enclosed. There were no other changes.

### About Osprey

Osprey Medical is focused on protecting patients from the harmful effects of X-ray dye (contrast) used during commonly performed angiographic imaging procedures. The Company's core technologies originated from research conducted by Dr David Kaye at Melbourne's Baker IDI Heart and Diabetes Institute. Its proprietary dye reduction and monitoring technologies are designed to help physicians minimize dye usage. The Company's DyeVert™ System is a next-generation product that reduces contrast while maintaining image quality in a self-adjusting easy-to-use design. Osprey Medical's Board and Management are comprised of experienced and successful personnel with established track records covering medical device development, regulatory approvals, sales and marketing, and mergers-acquisitions. Osprey Medical's advisory board comprises world-recognised experts in heart and kidney diseases.

### Forward-Looking Statements

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

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# Capital Raising Presentation

August 2016

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# Investment highlights

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## Osprey is aggressively commercialising its dye savings product portfolio

- **7 consecutive quarters of growth in units sold and samples**, with 45% growth in unit sales in 2Q16, as compared to 1Q16
- Original sales territory in San Antonio, Texas was **profitable in June 2016** with other territories following a similar sales trajectory
- **Over 65% of San Antonio hospitals** have approved and purchased Osprey's products, which demonstrates the clear potential for market adoption in other sales territories
- **Accelerating commercialization** with 9 sales representatives operating in unique territories and on track to reach up to 20 reps by end of CY16
- **US\$1.1+ billion addressable market** targeting 3.2M procedures per year
- **Top tier Board and management team**, invested in Osprey's success

# Capital raising overview

Osprey has raised A\$28m via a two tranche placement with a concurrent security purchase plan to follow to raise a further A\$1m

- Two tranche placement to sophisticated and institutional investors
  - Tranche 1 raising A\$10.8m under Osprey's existing placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A
  - Tranche 2 raising A\$17.2m conditional on stockholder approval
  - New CHESS Depositary Interests (CDIs) will rank equally with existing CDIs on issue (where 2 CDIs are equivalent to 1 fully paid ordinary share in Osprey common stock)
- Brandon Capital Partners (16.1% stockholder) has committed A\$10m to the Placement (to be invested in Tranche 2)
- A security purchase plan (SPP) will be offered to existing stockholders, capped at approximately A\$1m
- Use of funds
  - Expand commercialization of the DyeVert System
  - Continued research and development of the product portfolio, including DyeVert Plus
  - Ongoing clinical evaluations for scientific presentation and publication; and
  - Provide expansion capital to accelerate growth

# Capital raising overview (cont.)

The placement was oversubscribed reflecting a strong endorsement from the investment community

## Private Placement

- Funds will be raised via the issue of 100m CHESS Depositary Interests (CDIs) (equivalent to 50m shares of common stock)
- The issue price is A\$0.28 per New CDI, representing a 10.3% discount to the 15-day volume weighted average price (VWAP)
- Placement will be conducted in two tranches:
  - Tranche 1 will be an unconditional placement of approximately 38.5m CDIs issued under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A (to raise A\$10.8m);
  - Tranche 2 will be a conditional placement of approximately 61.5m CDIs (to raise A\$17.2m), subject to stockholder approval at a special meeting (Special Meeting)

## Security Purchase Plan

- An SPP will be offered to eligible CDI holders registered on the record date as at 7pm AEST on 30 August 2016
  - Capped at A\$1m and up to a maximum of A\$15,000 per eligible CDI holder
  - SPP to be offered at the same issue price as the placement (A\$0.28 per New CDI)

## Ranking and Timing

- New CDIs will rank equally with existing CDIs on issue
- Indicative date for the Special Meeting is Tuesday, 30 August 2016, a Notice of Meeting will be dispatched shortly

# Capital raising timetable

The indicative timetable for the capital raising is provided below

## Indicative capital raising timetable

Trading halt	<b>Tuesday, 2 August 2016</b>
Record date for SPP	<b>Wednesday, 3 August 2016</b>
Placement and SPP announced and Company resumes trading	<b>Thursday, 4 August 2016</b>
Settlement of issue of Placement CDIs under Tranche 1	<b>Wednesday, 10 August 2016</b>
Allotment of issue of Placement CDIs under Tranche 1	<b>Thursday, 11 August 2016</b>
Special Meeting for approval of issue of Placement CDIs under Tranche 2	<b>On or around Tuesday, 30 August 2016</b>
Settlement of Placement CDIs under Tranche 2 (subject to approval)	<b>Monday, 5 September 2016</b>
Allotment of Placement CDIs under Tranche 2 (subject to approval)	<b>Tuesday, 6 September 2016</b>

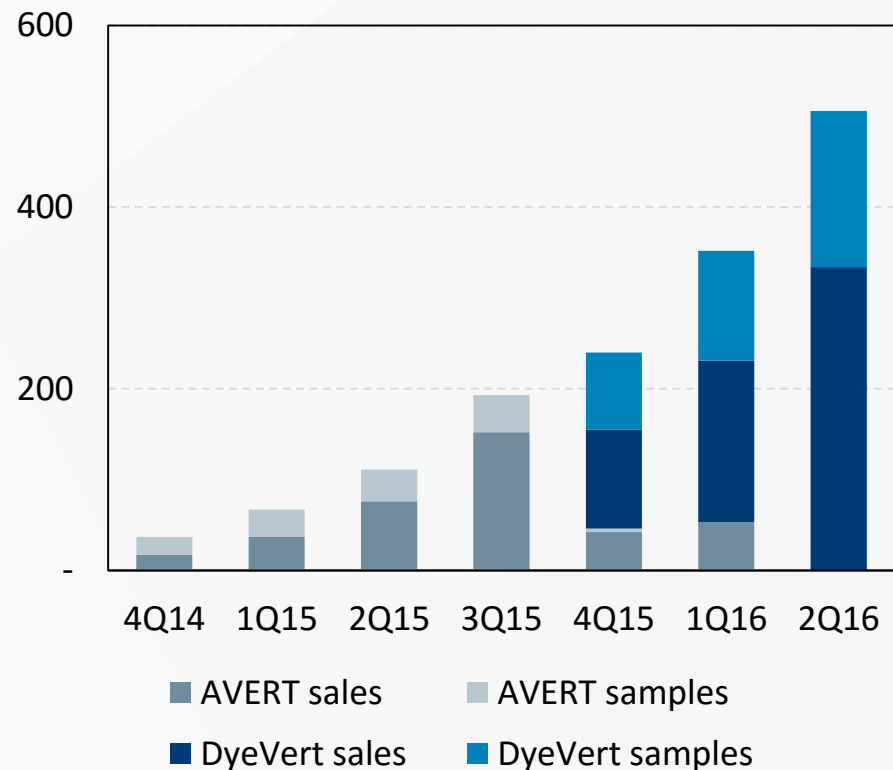
\*The timetable above is indicative only and may be varied subject to the ASX Listing Rules

# Strong sales growth

## Sales traction evidenced by clear product market fit and strong customer growth

- **7 consecutive quarters of growth** in units sold and sampled since first sales
- **88% growth in DyeVert units sales** and 45% growth in DyeVert and AVERT unit sales combined in 2Q16, as compared to 1Q16
- Cash receipts from customers **increased by 66%** to US\$113k in 2Q16
- Average selling price of DyeVert is US\$355 (unchanged from 1Q16)
- All sales units transitioned to the upgraded DyeVert System in 2Q16

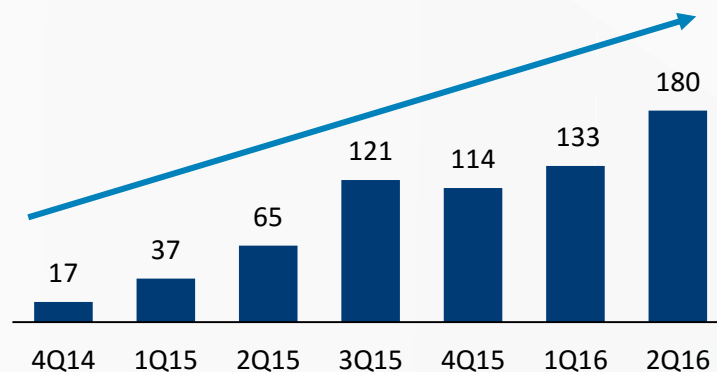
Quarterly product unit sales & samples since inception



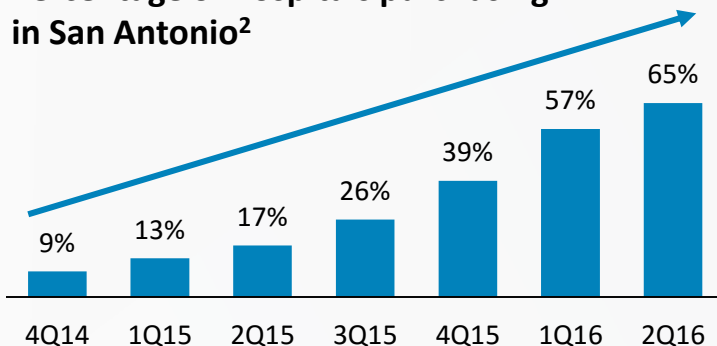
# San Antonio sales territory statistics

Original sales territory in San Antonio, Texas was profitable in June 2016 with other territories following a similar sales trajectory

Quarterly product unit sales in San Antonio<sup>1</sup>



Percentage of hospitals purchasing in San Antonio<sup>2</sup>



- **San Antonio was profitable in June 2016** with 100 units sold, compared to cashflow breakeven requirement of 75 units per month
- **Over 65% (15 of 23) of San Antonio hospitals** have approved and purchased Osprey's products
- Physicians have now used DyeVert or AVERT on 667 CKD patients, representing **40% of all CKD patients** treated in these hospitals
- San Antonio is demonstrating the **clear potential for market adoption** in other territories
- **Sales traction** within the 2 largest hospital systems, Methodist and Christus, is particularly encouraging

1. Quarterly unit sales fell in 4Q15 following the introduction of the DyeVert System, as hospitals sampled the new product

2. This chart reflects the percentage of the 23 hospitals in San Antonio that have approved and purchased Osprey's products, since the beginning of 4Q14



# Commercialization strategy

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Osprey's growing team of sales representatives are targeting areas in the US with the highest incidence of kidney failure

## Sales expansion

- Sales reps incentivised to achieve month on month sales growth and 100 unit sales per month (cashflow breakeven requirement is 75 per month)
- 9 existing sales reps, on track to reach up to 20 sales reps by end of CY16
- Factors driving selection of new territories include number of CKD procedures and prevalence of kidney failure

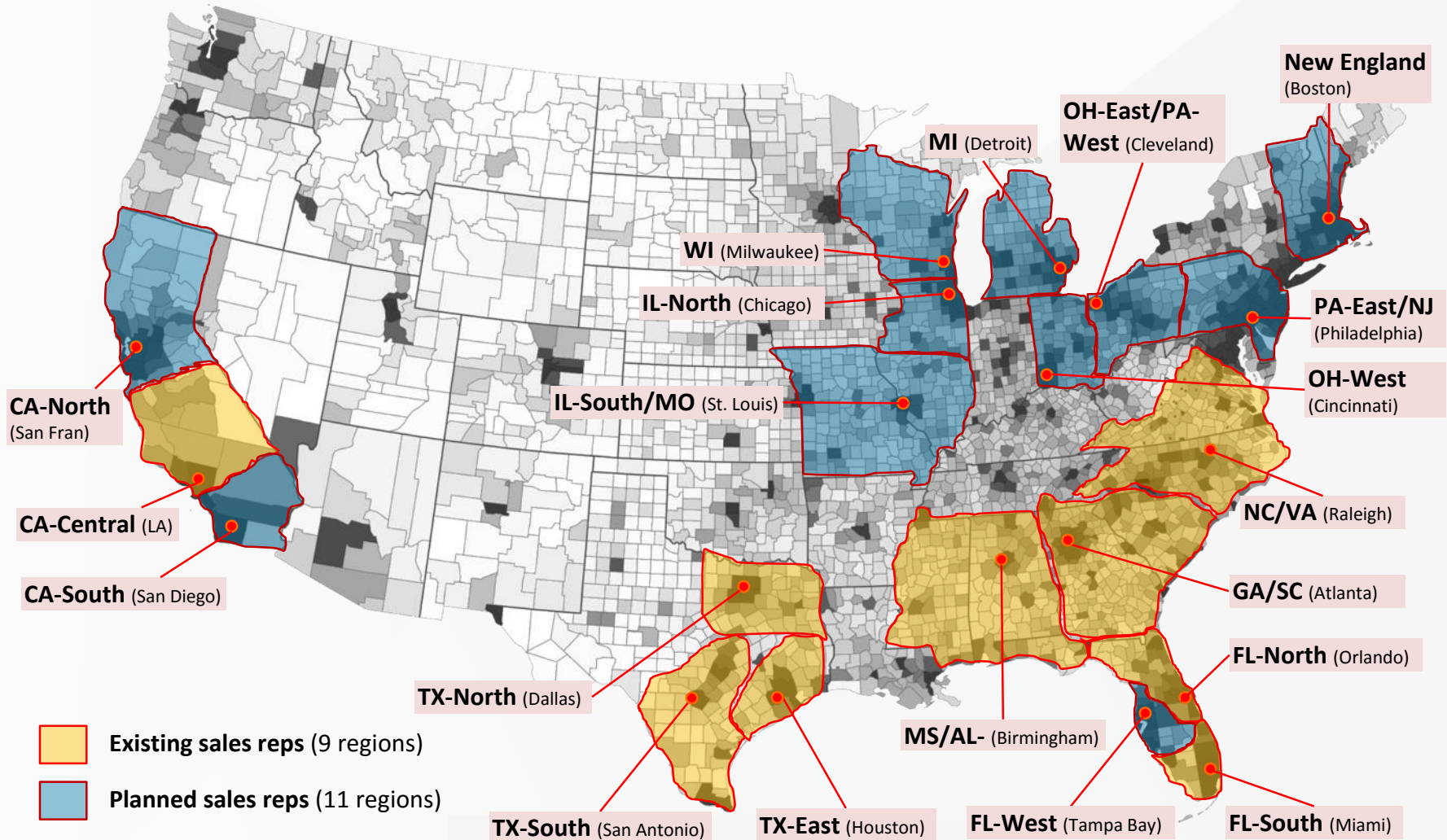
## Marketing

- Osprey is taking advantage of US healthcare reform and stricter national guidelines
- Increasing awareness around kidney protection and the economic arguments for Osprey's products also drives adoption

## Key opinion leader advocates

- Developing strong relationships with key opinion leading physicians who are advocating for the benefits of Osprey's products at public forums

# Sales territories – planned for CY16



# Economic effectiveness

US healthcare payment reform has created an economic incentive for the use of Osprey's products


- The Patient Protection & Affordable Care Act 2010 ("ObamaCare") has changed the economic landscape for medical care in the US and **created a favorable economic climate for Osprey's technology**
- ObamaCare has redefined hospital and physician payment structures so that **payment will be based on quality metrics rather than volume**
- **Dye volume and CI-AKI are key quality metrics** under ObamaCare according to the National Cardiovascular Data Registry
- Economic penalties can apply to hospitals that do not comply with ObamaCare



CathPCI Registry<sup>®</sup>

# Marketing materials

Osprey is leveraging DyeVert's medical efficacy and economic benefits to drive market awareness and product adoption



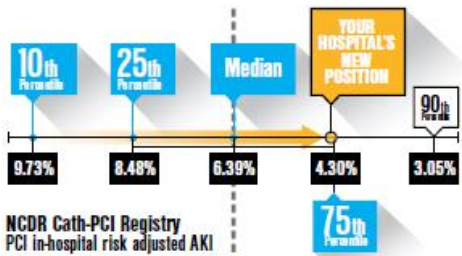
**HAVE A HEART,  
BE KIND TO KIDNEYS**

**CATH LAB KIDNEY CARE **PROTOCOL****

- 1 SCREEN FOR RISK
- 2 INCREASE HYDRATION
- 3 REDUCE CONTRAST

**Is your hospital's AKI score  
higher than the NCDR  
national median?**

*Ask how Osprey can help.*




Percentile	AKI Rate
10th	9.73%
25th	8.48%
Median	6.38%
YOUR HOSPITAL'S NEW POSITION	4.30%
75th	3.05%
90th	3.05%

NCDR Cath-PCI Registry  
PCI in-hospital risk adjusted AKI

**HAVE A HEART, BE KIND TO KIDNEYS**

**CATH LAB KIDNEY CARE **PROTOCOL****



# Key opinion leader advocates

Key opinion leaders and prominent physicians help drive early adoption of Osprey's dye savings portfolio via podium presentations

## Dr Anand Prasad

Assistant Professor of Medicine, University of Texas

"DyeVert demonstrated **dye savings of 49%** with uncompromised image quality. The fully disposable, hands free system is **easy to use and saves more dye**. The reaction from the physician community at SCAI was very positive"



## Dr Roxana Mehran, MD

AVERT Principal Investigator, Director of Interventional Cardiovascular Research at Mount Sinai Hospital, NY

"Having a system like that in a cath lab is going to be **extremely useful**, especially for chronic total occlusion (CTO) and chronic kidney disease (CKD) patients. For these high risk individuals, this product is a great thing"





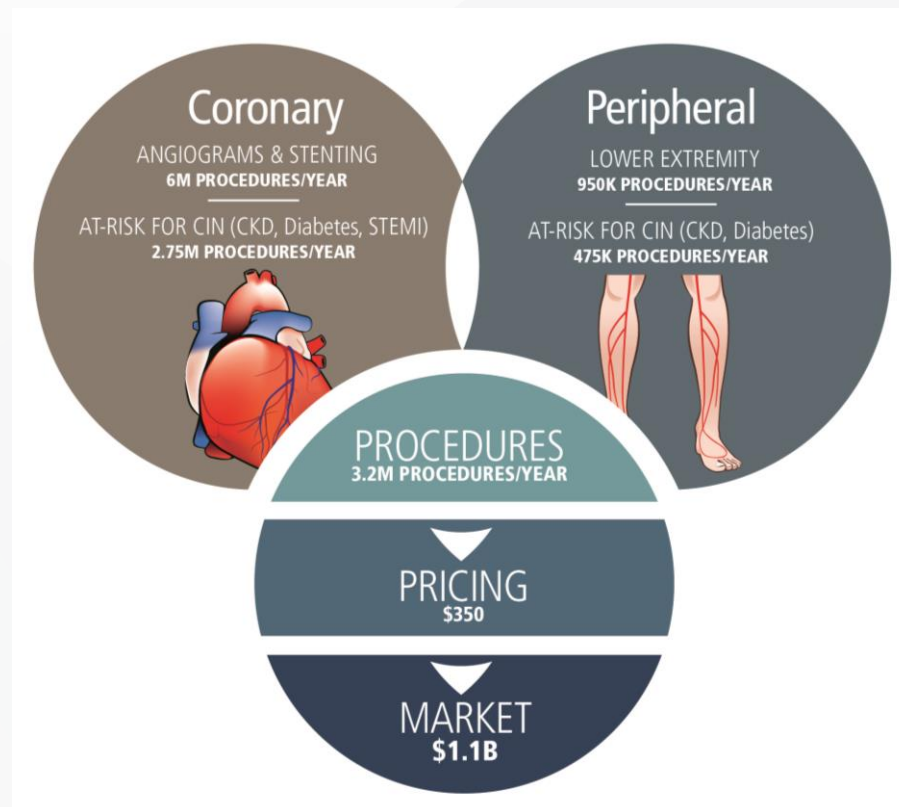
# Large addressable market

US\$1.1 to 1.4 billion addressable market with initial commercialization focus on the 1.3 million CKD procedures

## Market opportunity:

**3.2 million procedures per year** in the USA and Western Europe which can benefit from DyeVert

- **CKD:** 1.3 million procedures per year with a 20% occurrence of CI-AKI
- **Diabetes:** 1.0 million procedures per year with a 15% occurrence of CI-AKI
- **STEMI:** 440K procedures per year with a 15% occurrence of CI-AKI
- **Peripheral:** 450K procedures per year with a 15% occurrence of CI-AKI



# Ongoing news flow

## Osprey remains firmly focused on sales to drive stockholder returns

### **SALES GROWTH**

*Grow sales team and territories*

- Ongoing quarter on quarter sales growth is expected with a larger sales team set to drive commercial success
- Marketing efforts expected to continue growing product sales

### **R&D**

*Development of R&D portfolio*

- Osprey is developing DyeVert Plus, which records dye savings in real-time to comply with new cardiology guidelines
- FDA approval for DyeVert Plus expected in 1H 2017

### **DYEVERT**

*Development milestones*

- Enrolment for DyeVert RCT is complete, findings are expected to be presented in 2016
- DyeVert Plus submitted for innovative new technology award at TCT conference in Q4 2016

### **ECONOMICS**

*Capitalize on new legislation*

- Capitalize on the shift of hospital/physician payments based on “procedure volume” to “improving quality”
- Take advantage of mandatory dye savings guidelines

# Appendix

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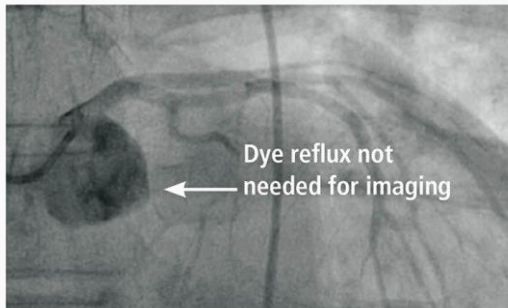
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# Osprey – protecting kidneys from dye

Osprey is a revenue stage company with proprietary medical device technology designed to protect kidneys from the harmful effects of dye

- Heart and leg vessels imaging (x-ray) for surgical procedures requires the injection of x-ray dye which is then cleared by the kidney
- The use of dye in these commonly performed procedures can cause damage called Contrast Induced Acute Kidney Damage (CI-AKI)
- Osprey is a medical devices company with **proprietary technology designed to protect patients' kidneys by reducing the amount of contrast dye injected**



Without Osprey dye reduction



With Osprey dye reduction



# Company overview

Osprey's product portfolio comprises the only FDA and CE indicated technology for contrast volume reduction

## Financial information

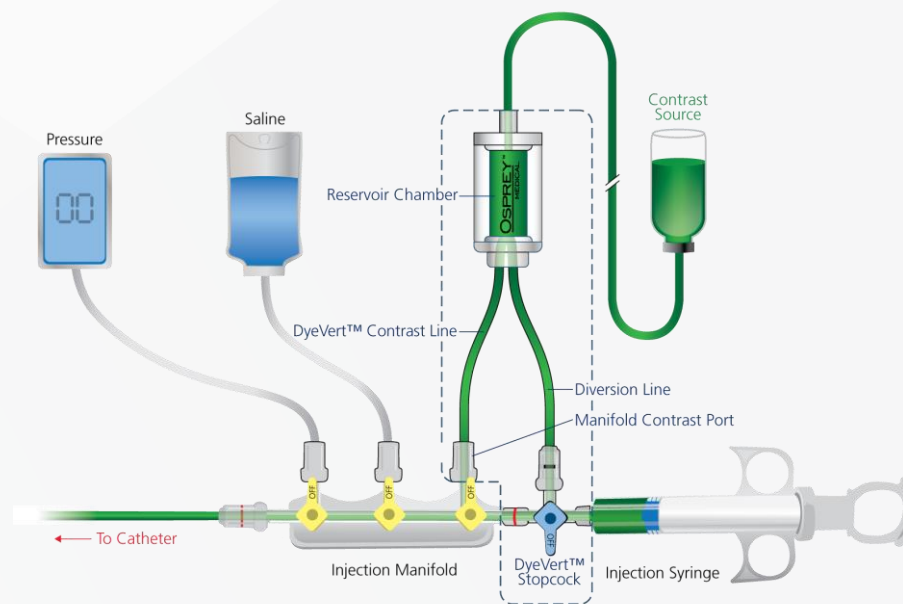
CDI price (1-Aug-16)	A\$0.340
52 week high / low	A\$0.20 / A\$0.85
Number of CDIs (m)	154.2
<b>Market Capitalization</b>	<b>A\$52.4m</b>
Cash (30-Jun-16)	US\$5.8m / A\$7.7m
Debt (30-Jun-16)	No debt
<b>Enterprise value</b>	<b>A\$44.7m</b>

Note: Assumes AUDUSD exchange rate of 0.75

## Top stockholders

	CDIs	%
Talu Ventures	34.0m	22.1%
Brandon Capital Partners	24.8m	16.1%
Kinetic Investment Partners	8.7m	7.1%

Note: Grey shading represents substantial holdings associated with Osprey Board members, Andy Jane and Chris Nave



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**AVERT™ and DyeVert™ Systems Regulatory Status:** Europe – CE Mark obtained; Australia – TGA approval obtained; United States – 510(k) cleared.