



BETTER SLEEP, BETTER HEALTH
and a BETTER LIFE

22 June 2017

ASX Release

Oventus Announces Successful Capital Raising

- **\$7.0 million has been raised in an initial placement at \$0.36 per share.**
- **In addition, Oventus will be conducting a share purchase plan for each eligible shareholder capped at \$2.0 million at \$0.36 per share.**
- **The capital raising follows the announcement earlier this week of the signing of a global distribution agreement with Modern Dental Group.**
- **Modern Dental Group is the world's largest dental prosthetic device provider with over 70 sales and customer services centres covering North America, Europe, Australia, and the Greater China regions.**

Oventus Medical Limited (**Oventus**) announces that it has completed a first tranche placement of approximately 18 million shares to institutional and sophisticated investors at an issue price of \$0.36 per share to raise approximately \$6.5 million. A second tranche placement to raise a further \$0.5 million will be conducted subject to shareholder approval being obtained at a general meeting of shareholders to be held in August 2017. A number of the directors are participating in the second tranche placement to an aggregate value of \$420,000, subject to shareholder approval being obtained, including Chairman Dr Mel Bridges, Founder Chris Hart, and Co-Founder and Managing Director Neil Anderson.

Oventus' Chairman Dr Mel Bridges said: "*We are delighted that the placement has seen such strong support and thank investors for that support. The additional funds raised under the placement will put the company in a strong position to progress in its current endeavours. The raising follows the recent announcement of the signing of a global distribution agreement with Modern Dental Group – the world's largest dental prosthetic device company*".

The funds will be used to increase working capital and:

- 1 build sales by co-marketing with our distributor partners in various regions – in particular Modern Dental in US and Australia;
- 2 complete R&D and regulatory approvals for the current products in development - in particular for the sleep clinician channel;
- 3 complete current clinical trials that will be used to further validate the value of the Oventus proprietary airway and as further evidence to engage with clinicians – especially sleep clinicians; and
- 4 scale production in collaboration with manufacturing partners where required.

The placement has been managed by Bell Potter Securities Limited.



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Share Purchase Plan

Oventus is pleased to announce that it will also offer each eligible shareholder in Australia and New Zealand the opportunity to subscribe for up to \$15,000 in Oventus shares under a share purchase plan (**SPP**) at the price of \$0.36 per share, being the same price as for the placement, capped at \$2.0 million.

Participation in the SPP is open to all holders of Oventus shares with a registered address in Australia and New Zealand at the record date for the SPP. Further details on the SPP terms and an application form are **attached** to this announcement.

Mel Bridges
Chairman
Oventus Medical Limited

-ENDS-

For more information please contact:

Dr Mel Bridges, Chairman: M: 0413 051 600 (+61 41 3051 600)

Kyahn Williamson, WE Buchan: P: 03 8866 1214 or kwilliamson@buchanwe.com.au

About Oventus

Oventus is a Brisbane based medical device company that is commercialising a suite of oral appliances for the treatment of sleep apnoea and snoring. Unlike other oral appliances, the Oventus devices have a unique and patented airway within the device that delivers air to the back of the mouth bypassing multiple obstructions from the nose, soft palate and tongue. They are particularly designed for the many people that have nasal obstructions and consequently tend to mainly breathe through their mouth. While it may seem counterintuitive, the device actually prevents oral breathing. The O2Vent is designed to allow nasal breathing when the nose is unobstructed, but when obstruction is present, breathing is supplemented via the airways in the appliance.

A clinical study completed earlier this year showed the company's first generation product the O2Vent Mono™ is successful in treating OSA and that snoring was either eliminated or significantly reduced in 100 per cent of patients. The positive results included those people who had nasal obstructions and mainly breathed through their mouths, including when they were asleep. It also improves oxygen levels for patients.

According to a report published by the Sleep Health Foundation Australia, an estimated 1.5 million Australians suffer with sleep disorders and more than half of these suffer with obstructive sleep apnoea.¹

Continuous positive airway pressure (CPAP) is the most definitive medical therapy for obstructive sleep apnoea, OSA, however many patients have difficulty tolerating CPAP². Oral appliances have emerged as an alternative to CPAP for obstructive sleep apnoea treatment.³

¹ *Deloitte Access Economics. Reawakening Australia: the economic cost of sleep disorders in Australia, 2010. Canberra, Australia.*



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² *Beecroft, et al. Oral continuous positive airway pressure for sleep apnea; effectiveness, patient preference, and adherence. Chest 124:2200–2208, 2003*

³ *Sutherland et al. Oral appliance treatment for obstructive sleep apnea: An updated Journal of Clinical Sleep Medicine. February 2014.*



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Dear Shareholder

Share purchase plan

On behalf of the board of Oventus Medical Limited ACN 608 393 282 (ASX: OVN) (**Oventus** or **Company**), we are pleased to offer you the opportunity to purchase up to \$15,000 in additional shares in Oventus under this share purchase plan (**SPP**).

The SPP will be available to shareholders who are on the Company register at 7.00pm (Brisbane time) on Wednesday, 21 June 2017 (**Record Date**), and having a registered address in Australia or New Zealand (**Eligible Shareholders**).

The SPP gives Eligible Shareholders the opportunity to purchase additional shares in Oventus at \$0.36 per share, which represents a discount of 9.74% to the weighted average closing price of the last five trading days on which trades were recorded. There are no transaction costs or brokerage costs to participating shareholders.

Included with this letter is the following material which aims to address any questions you may have about the SPP:

- (a) an investment overview, which includes details on pricing, the timetable, intended use of funds and key risks of an investment in the Company;
- (b) SPP terms; and
- (c) an application form.

Information about Oventus is available at www.ventus.com.au, which should be considered in conjunction with the Company's continuous disclosure to ASX.

The SPP will close on Wednesday, 19 July 2017 at 5.00pm (Brisbane time). If you wish to participate in the SPP your application must be received by the closing date. Oventus reserves its right to close the SPP early.

If you have any questions about the SPP, please contact the offer information line on 1300 552 270 (within Australia) or +61 3 9415 4000 (outside Australia) between 9:00 a.m. and 5:00 p.m. (Brisbane time), Monday to Friday.

The board encourages you to consider this opportunity and thanks you for your continued support.

Yours faithfully

Mel Bridges
Chairman



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Oventus investment overview

Offer details

Issue Price	\$0.36 per share
Application Amount	Minimum of \$1,000 (Minimum Application Amount) with staged increments of \$500 up to a maximum of \$15,000
Record Date	7.00pm (Brisbane time) on Wednesday, 21 June 2017
Closing Date	5.00pm (Brisbane time) on Wednesday, 19 July 2017
Allotment Date	Wednesday, 26 July 2017
Quotation Date	Thursday, 27 July 2017

Intended use of funds

The proceeds raised from this SPP will be used to increase working capital and to:

- (a) build sales by co-marketing with our distributor partners in various regions – in particular Modern Dental in US and Australia;
- (b) complete R&D and regulatory approvals for the current products in development - in particular for the sleep clinician channel;
- (c) complete current clinical trials that will be used to further validate the value of the Oventus proprietary airway and as further evidence to engage with clinicians – especially sleep clinicians; and
- (d) scale production in collaboration with manufacturing partners where required.

Risks

Before making an investment decision, you should read the SPP terms set out below. Oventus considers that the major risks of an investment in Oventus include that:

- (a) *Pipeline products in development and not all approved for commercial sale* - Oventus' ability to achieve profitability is dependent on a number of factors, including its ability to complete successful clinical trials and obtain regulatory approval for its products and successfully commercialise those products. There is no guarantee that Oventus' products will be commercially successful;
- (b) *Regulatory clearance and reimbursement approvals* - the research, development, manufacture, marketing and sale of products using Oventus' technology are subject to varying degrees of regulation by a number of government authorities in Australia and overseas including but not limited to the FDA and European Competent Authorities;
- (c) *Clinical trial risk* - Oventus may be unable to secure necessary clearance or registrations from regulatory agencies, ethics committees and institutional bodies (clinics and hospitals) to conduct future clinical trials. There is also no assurance that products developed using Oventus' technology



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will prove to be completely safe and efficacious in clinical trials, or that the regulatory clearance to manufacture and market its products will be received;

- (d) *Commercial manufacturing and distribution capability* - Oventus' products have not yet been produced on a large scale. Oventus' success is dependent upon its ability, and the ability of any commercial partners, to manufacture those products (following regulatory clearance) on a commercial scale, with continuity of supply and in accordance with current good manufacturing practices, prescribed by applicable regulatory authorities;
- (e) *Intellectual property* - the Company's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being legally protected, it may be the subject of unauthorised disclosure or be unlawfully infringed, or the Company may incur substantial costs in asserting or defending its intellectual property rights; and
- (f) *Dependence upon key personnel* - Oventus depends on the talent and experience of its personnel as its primary asset. There may be a negative impact on Oventus if any of its key personnel leave.

Past performance is not necessarily a guide to future performance of the Company.



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Oventus Share purchase plan terms

How do I accept

To participate, you should either:

- (a) return your application form, together with a cheque; or
- (b) pay the Application Amount via BPAY,

so that payment is received by **5.00pm (Brisbane time) on Wednesday, 19 July 2017**.

BPAY instructions are set out on the application form. If you use BPAY, you do not need to return your application form. Please make sure you use the specific biller code and unique reference number on your personalised application form. Your financial institution may implement earlier cut-off times for electronic payment. You should take this into consideration when making payment.

If paying by cheque, use the reply paid envelope or deliver it to the address on the application form. Applications received after the Closing Date will not be accepted.

Funds received for applications by cheque or BPAY will be regarded as applications for the maximum number of shares that those funds will pay for in full.

Importantly, while participation in the plan is optional, once applications are submitted, they cannot be withdrawn.

The Company's market price may vary at any time during the offer period and the Company's shares may trade at a price that is lower than the Issue Price.

By accepting the SPP offer, you accept the risk that the market price of the Company's shares may fall below the Issue Price between the date of this offer and the Allotment Date, in which case you

may have been able to buy the Shares at a lower price than the Issue Price.

By making an application, you represent to the Company the matters set out under the heading 'Your representations' in these terms and in the application form.

How many shares

Eligible Shareholders receive the number of shares equal to the Application Amount (subject to any scale-back) divided by the Issue Price. Fractions will be rounded down, and the difference (being any amount less than the Issue Price) may be retained by the Company.

The Issue Price does not exceed the limit prescribed by the ASX Listing Rules and ASIC Class Order 09/425.

Shares issued under the SPP may be sold or transferred on ASX at any time after the Quotation Date.

Eligibility to participate

Participation in the SPP is optional. The offer is open to all shareholders with a registered address in Australia or New Zealand as at the Record Date.

Multiple holdings

If you are the only registered holder of Company shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply in total for a maximum of \$15,000 worth of shares.

Joint holders

If you are a joint holder of Company shares, that holding is considered to be a single registered holding for the purpose of the SPP. You are entitled to participate in the SPP for that single holding only. If you are a joint holder and you receive more than one offer under the

SPP, you may only apply in total for a maximum of \$15,000 worth of shares.

Trustee or nominee

If you are noted on the Company's share register as a trustee or nominee for a named beneficiary, you may only apply for one maximum parcel of shares for each named beneficiary. If the Company's share registry does not record a named beneficiary for your trustee or nominee holding, the rules for multiple single holdings apply.

Custodians

If you are a custodian within the definition of 'custodian' in ASIC Class Order 09/425 (as varied) and hold Company shares for one or more persons (each a **Participating Beneficiary**), or for another custodian of Company shares, you may apply for up to a maximum of \$15,000 worth of shares for each Participating Beneficiary, subject to providing the Company a 'custodian certificate' in addition to the application form, which certifies matters required by ASIC Class Order 09/425 (as varied).

Please contact the share registry to obtain the form of the custodian certificate.

Directors

Directors of the Company who are Eligible Shareholders may participate in the SPP.

Scale-back

The Company may, in its absolute discretion, scale-back applications under the SPP.

Factors that the Company may take into account in determining any scale-back include:

- (a) compliance with regulatory requirements;
- (b) the amount applied for by each shareholder;
- (c) the number of shares held at the Record Date; and
- (d) if the shareholder remains on the register at the Closing Date.

The Company may scale-back applications below the Minimum Application Amount. Scale-back decisions are made by the board and are final.

If a scale-back occurs, the difference between the value of the shares allotted and the Application Amount paid to the Company (only where the amount is greater than the Issue Price) will be refunded by cheque and mailed to you as soon as practicable following the Allotment Date. Any scale-back will be announced on the Allotment Date. No interest will be paid on any Application Amount paid or refunded.

ASX quotation

After shares are issued and allotted under the SPP, the Company will apply to ASX for quotation of the shares on the Official List and send an allotment notice to each Eligible Shareholder's registered address.

No costs

Eligible Shareholders may subscribe without incurring brokerage costs, commission or other transaction costs.

The Company's rights

The Company may reject any application for shares under the SPP if:

- (a) it considers that the application does not comply with these terms;
- (b) you are not an Eligible Shareholder;
- (c) a cheque is returned unpaid;
- (d) the application form has not been properly completed; or
- (e) there are grounds for believing that the applicant is not acting in good faith.

The Company may modify, suspend or cancel the SPP at any time. If the Company does this it will notify ASX. If the SPP is cancelled the Application Amount will be refunded without interest. Neither the Company nor the board accepts or assumes any liability to shareholders because of the variation, suspension or termination of SPP.

The Company may settle, at its discretion in any manner it deems fit, any anomalies or disputes in connection with the SPP and that decision is conclusive and binding on all applicants. The Company reserves the right to waive strict compliance with these terms.

Your representations

By completing and returning the application form or by making a BPAY payment, you:

- (a) certify to the Company that you are an Eligible Shareholder;
- (b) authorise the Company (and its officers and agents) to correct any error in, or omission from, your application form;
- (c) accept the risks of the delivery of any refund to you;
- (d) acknowledge that the Company may at its discretion determine that your application form is valid, even if the application form is invalid;

- (e) irrevocably and unconditionally agree to these terms; and
- (f) acknowledge that the Company is not liable for any exercise of its discretions referred to in these terms.

Other information

The Offer is non renounceable, which means that you cannot transfer your right to purchase shares under the SPP to anyone else. Shares issued under the SPP will rank equally in all respects with existing fully paid shares.

This document is not an offer of securities in any place outside Australia or New Zealand and does not take into account your individual investment objectives, financial situation or particular needs. An investment in the Company is speculative. Therefore, you should obtain independent financial and taxation advice before making an investment decision.



OVN
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

For all enquiries:

Phone:



(within Australia) 1300 552 270
(outside Australia) +61 (03) 9415 4000

Web:



www.investorcentre.com/contact

Make your payment:



See overleaf for details of the Offer and how to make your payment

Share Purchase Plan Application Form

 **Your payment must be received by 5:00pm (Brisbane Time) Wednesday 19 July 2017**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Oventus Medical Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Oventus Medical Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of the payment slip overleaf; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment, does not exceed \$15,000.

Oventus Medical Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Oventus Medical Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Oventus Medical Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Oventus Medical Limited does not notify you of that event.

Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Note that shares may be purchased in increments of \$500 subject to purchase of the minimum value and not exceeding the maximum value. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Oventus Medical Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Oventus Medical Limited Share Purchase Plan Application Form
Payment must be received by 5:00pm (Brisbane Time) Wednesday 19 July 2017

© Registered to BPAY Pty Limited ABN 69 079 137 518

Turn over for details of the Offer →

Share Purchase Plan Application Form

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STEP 1

Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: **21 June 2017**

Minimum value available to purchase: **\$1,000**

Maximum value available to purchase: **\$15,000**

STEP 2

Make Your Payment



Biller Code: 9999
Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your payment from your cheque or savings account.

Pay by Mail:



Make your cheque, bank draft or money order payable to "**Oventus Medical Limited**" and cross "**Not Negotiable**".

Return your cheque with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Purchase Details for Oventus Medical Limited

Amount between \$1,000 and \$15,000 in \$500 increments

A\$



You may apply for securities in \$500 increments from a minimum of \$1,000 up to a maximum of \$15,000.

Entitlement No: 12345678

Payment must be received by 5:00pm (Brisbane Time) Wednesday 19 July 2017

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

123456789123456789+000000001-3051+14