

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Osprey Medical Inc. (**Osprey** or the **Company**)

ARBN

152 854 923

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | CHESS Depository Interests ( <b>CDIs</b> ) (quoted) representing shares of common stock of the Company (unquoted) ( <b>Shares</b> ).   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | The Company will issue approximately: <ul style="list-style-type: none"> <li>• 25,785,924 CDIs (quoted) (representing 12,892,962 Shares (unquoted)) pursuant to a 1 for 10 non-renounceable pro rata rights offer of CDIs announced by Osprey on 4 August 2017 to eligible holders of CDIs of the Company (<b>Entitlement Offer</b>).</li> </ul> |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | As per existing CDIs.  |

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+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>
5	Issue price or consideration	A\$0.40 per CDI
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>The net proceeds of the Entitlement Offer and the Private Placement will be used to:</p> <ul style="list-style-type: none"> <li>• Expand US sales force to increase coverage of the US with focus on geographies with a high share of AKI;</li> <li>• Initiate a pilot European sales programme in Germany;</li> <li>• Ongoing support for post approval market trials and physician sponsored trials for scientific presentation and publications;</li> <li>• Continue research and development of the product portfolio; and</li> <li>• Costs of the offer.</li> </ul>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
6b	The date the security holder resolution under rule 7.1A was passed	18 May 2017
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A

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+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A						
6f	Number of +securities issued under an exception in rule 7.2	Osprey will issue approximately 25,785,924 CDIs (quoted) (representing 12,892,962 Shares (unquoted)) under the Entitlement Offer (exception 1).						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<table border="1"> <tr> <td data-bbox="766 940 877 1019">Rule 7.1</td> <td data-bbox="877 940 1370 1019">19,339,444 Shares (38,678,888 in equivalent CDIs)</td> </tr> <tr> <td data-bbox="766 1019 877 1097">Rule 7.1A</td> <td data-bbox="877 1019 1370 1097">12,892,962 Shares (25,785,924 in equivalent CDIs)</td> </tr> <tr> <td data-bbox="766 1097 877 1176">Total:</td> <td data-bbox="877 1097 1370 1176">32,232,406 Shares (64,464,812 in equivalent CDIs)</td> </tr> </table>	Rule 7.1	19,339,444 Shares (38,678,888 in equivalent CDIs)	Rule 7.1A	12,892,962 Shares (25,785,924 in equivalent CDIs)	Total:	32,232,406 Shares (64,464,812 in equivalent CDIs)
Rule 7.1	19,339,444 Shares (38,678,888 in equivalent CDIs)							
Rule 7.1A	12,892,962 Shares (25,785,924 in equivalent CDIs)							
Total:	32,232,406 Shares (64,464,812 in equivalent CDIs)							
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	4 September 2017 – Entitlement Offer						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="766 1568 989 1612">Number</th> <th data-bbox="989 1568 1370 1612">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="766 1612 989 1848">283,645,178</td> <td data-bbox="989 1612 1370 1848">CDIs</td> </tr> </tbody> </table>	Number	+Class	283,645,178	CDIs		
Number	+Class							
283,645,178	CDIs							

+ See chapter 19 for defined terms.

	Number	+Class
9	11,885,105*	Options over Shares (23,770,210 in equivalent CDIs)
* 64,424 Options have recently been cancelled		
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	No change	

## Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable and entitlements will not be tradeable on ASX or otherwise transferable.
13	Ratio in which the +securities will be offered	1 CDI offered for every 10 CDIs held at the record date.
14	+Class of +securities to which the offer relates	CDIs
15	+Record date to determine entitlements	Wednesday, 9 August 2017
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest whole number of CDIs
18	Names of countries in which the entity has security holders who will not be sent new offer documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	Canada, South Africa, United Kingdom, United States of America
19	Closing date for receipt of acceptances or renunciations	5.00pm 25 August 2017 (AEST)

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+ See chapter 19 for defined terms.

20	Names of any underwriters	Canaccord Genuity (Australia) Limited and Bell Potter Securities Limited ( <b>Joint Lead Managers</b> ) pursuant to an Underwriting Agreement dated 4 August 2017 will underwrite the Entitlement Offer. Brandon Capital Partners ( <b>Brandon</b> ) will sub-underwrite the Entitlement Offer.
21	Amount of any underwriting fee or commission	<p>Osprey will pay:</p> <ul style="list-style-type: none"> <li>• An underwriting fee equal to 4.0% of the gross proceeds raised under the Entitlement Offer; and</li> <li>• A management fee equal to 1.0% of the gross proceeds raised from the Entitlement Offer, to the Joint Lead Managers in their respective proportions.</li> </ul> <p>In addition, Brandon will receive a fee equal to 1% of the total amount sub-underwritten by Brandon.</p>
22	Names of any brokers to the issue	Canaccord Genuity (Australia) Limited and Bell Potter Securities Limited
23	Fee or commission payable to the broker to the issue	See above
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	On or about 14 August 2017.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A

+ See chapter 19 for defined terms.

31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	4 September 2017

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

(a)  +Securities described in Part 1

(b)  All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
 1 - 1,000  
 1,001 - 5,000  
 5,001 - 10,000

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+ See chapter 19 for defined terms.

10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional <sup>+</sup>securities

**Entities that have ticked box 34(b)**

38 Number of <sup>+</sup>securities for which <sup>+</sup>quotation is sought 

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39 <sup>+</sup>Class of <sup>+</sup>securities for which quotation is sought 

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40 Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?  
  
If the additional <sup>+</sup>securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now  
Example: In the case of restricted securities, end of restriction period  
  
(if issued upon conversion of another <sup>+</sup>security, clearly identify that other <sup>+</sup>security)

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	Number	<sup>+</sup> Class
42 Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the <sup>+</sup> securities in clause 38)		

**Quotation agreement**

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+ See chapter 19 for defined terms.

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  .....  
(Australian Secretary)

Date 4 August 2017

Print name: Brendan Case

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+ See chapter 19 for defined terms.



## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	77,083,913 Shares issued (154,167,826 in equivalent CDIs issued)
<p><b>Add</b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>1,785,714 Shares (3,571,428 in equivalent CDIs) (as part of the Osprey Security Purchase Plan announced to the ASX on 4 August 2016)</p> <p>60,000 Options were exercised, resulting in the issue of 60,000 Shares and following transmutation, the issue on 6 February 2017 of 120,000 CDIs</p> <p>19,270,000 Shares (38,540,000 in equivalent CDIs) (the issue was approved stockholders on 30 August 2016 under ASX Listing Rule 7.4)</p> <p>30,730,000 Shares (61,460,000 in equivalent CDIs) (the issue was approved stockholders on 30 August 2016 under ASX Listing Rule 7.1) issued 6 - 9 September 2016</p> <p style="text-align: center;">-</p>
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	-
<b>“A”</b>	128,929,627 Shares(257,859,254 in equivalent CDIs)

+ See chapter 19 for defined terms.

\* amendment to previous Appendix 3B notification.

<b>Step 2: Calculate 15% of "A"</b>	
<b>"B"</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply "A" by 0.15</b>	19,339,444 Shares (38,678,888 in equivalent CDIs)
<b>Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of <sup>+</sup>equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	-
<b>"C"</b>	-
<b>Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1</b>	
<p><b>"A" x 0.15</b></p> <p><i>Note: number must be same as shown in Step 2</i></p>	19,339,444 Shares (38,678,888 in equivalent CDIs)
<p><b>Subtract "C"</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	-
<b>Total ["A" x 0.15] - "C"</b>	19,339,444 Shares (38,678,888 in equivalent CDIs) <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b> <i>Note: number must be same as shown in Step 1 of Part 1</i>	128,929,627 Shares (257,859,254 in equivalent CDIs)
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10 <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	12,892,962 Shares (25,785,924 in equivalent CDIs)
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of <sup>+</sup> equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	-
<b>“E”</b>	-
<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b> <i>Note: number must be same as shown in Step 2</i>	12,892,962 Shares (25,785,924 in equivalent CDIs)
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	-
<b>Total [“A” x 0.10] – “E”</b>	12,892,962 Shares (25,785,924 in equivalent CDIs) <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.