

ASX ANNOUNCEMENT – PARTIAL ALLOCATION UNDER TRANCHE 2 OF PLACEMENT AND SECURITY PURCHASE PLAN UPDATE

Minnesota, United States and Melbourne, Australia – 6 September 2016. Osprey Medical Inc. (ASX:OSP) (**Osprey** or **Company**) announced on 4 August 2016 that it had received commitments from sophisticated and institutional investors to subscribe for 100 Million CHES Depository Interests (**CDIs**) (the equivalent of 50 Million shares of Common Stock) at A\$0.28 per CDI to raise A\$28 Million and to be completed in two tranches (**Placement**). On 11 August 2016, Osprey announced the successful allotment of 38,540,000 CDIs (the equivalent of 19,270,000 shares of common stock) under Tranche 1 of the Placement.

Osprey is pleased to announce today that following stockholder approval being granted at a Special Meeting of Stockholders held on 30 August 2016:

- 25,745,714 new CDIs (the equivalent of 12,872,857 shares of Common Stock) have today been allotted under Tranche 2 of the Placement; and
- a further 35,714,286 CDIs (the equivalent of 17,857,143 shares of Common Stock) will be allotted on 9 September 2016 to complete Tranche 2.

Osprey is also pleased to announce that the Security Purchase Plan (**SPP**) announced on 4 August 2016 has been very successful, with a strong response from eligible securityholders. The SPP, which closed at 5.00pm yesterday, 5 September 2016, will require a scaleback. Further information in relation to the scaleback will be provided on or before 8 September 2016.

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

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Osprey Medical Inc. (ARBN 152 854 923) is a foreign company incorporated in Delaware, USA.

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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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