ASX RELEASE | OSTEOPORE LIMITED

JUNE 2022 QUARTERLY ACTIVITIES REPORT

Highlights:

- *Osteopore achieved record revenue of S$431,171 (A$453,052) for Q2 CY22.*
- *Revenue increased 16% over Q1 CY22, resulting in the third consecutive quarter of revenue growth, and a 39% increase over the previous year's revenue for the corresponding period of Q2 CY21.*
- *Osteopore's Chief Technology Officer, Dr Lim Jing, was appointed as Chief Operating Officer as part of the Company's internal development strategy to improve efficiency and support business growth.*
- *The Company continued its successful expansion into additional markets, with first shipments achieved in Columbia, Spain and South Africa.*
- *Osteopore entered the Oral & Maxillofacial (OMF) markets in Australia and New Zealand, via an exclusive three-year Distribution Agreement with MAXONIQ.*
- *A Collaboration Agreement with Livingstone Health Holding Limited ("Livingstone Health"), will see both companies jointly develop new applications and products for regenerating bone and tissue.*
- *Highly encouraging commercial outlook, as Osteopore pushes ahead on further commercialisation and revenue generation by focusing on key markets and inorganic opportunities, while growing its footprint across more regions and developing a complementary pipeline of new products for additional bone regeneration applications.*

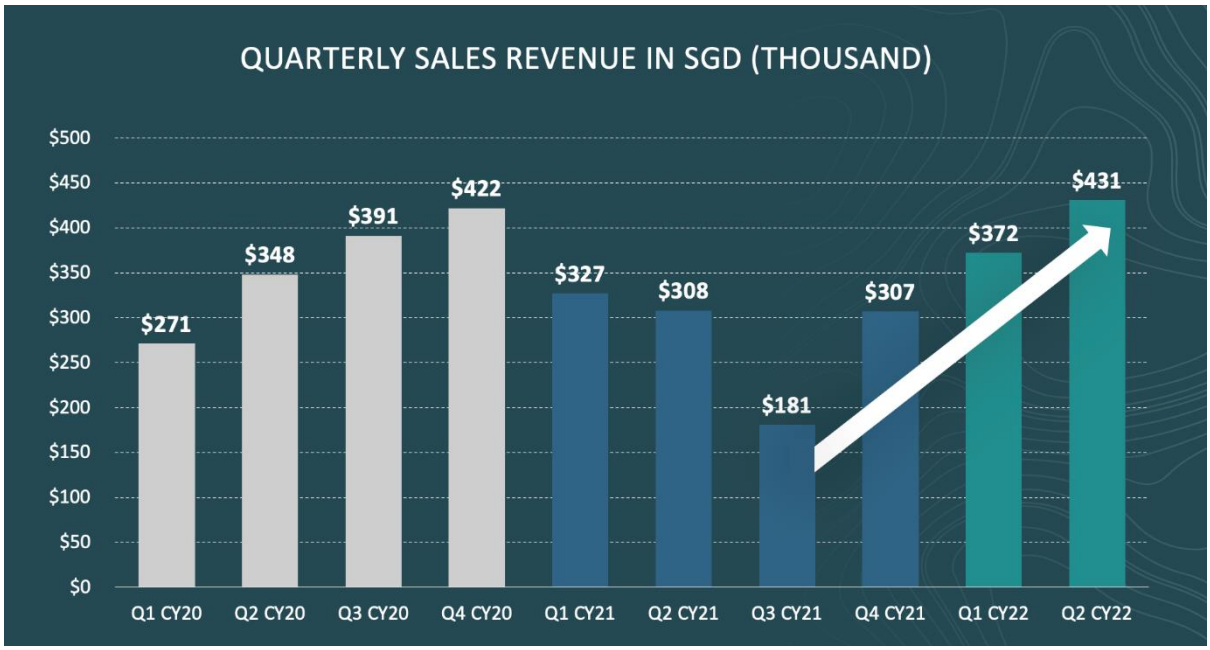
25 July 2022: Osteopore Limited (ASX: OSX) ("Osteopore" or the "Company"), a revenue-generating Australian and Singapore based global leader in the manufacture of innovative regenerative implants at commercial scale empowering natural tissue regeneration, is pleased to release its quarterly results and Appendix 4C cash flow statement for the three-month period ending 30 June 2022.

Record Financial Performance

Osteopore achieved S$431,171 (A$453,052) in revenue for Q2 CY22 and ended the quarter with A$2,336,000 cash on hand. Q2 CY22 revenue was up 16% on Q1 CY22, and up 39% over the previous year's revenue for the corresponding period of Q2 CY21. This result was Osteopore's highest quarterly revenue in the Company's history, and the third consecutive quarter of revenue growth despite COVID-19 continuing to disrupt global healthcare systems.

This sequential growth and rebound in revenue indicates both strong adoption and increasing surgeries at hospitals. Osteopore's sales team and distribution partners are seeing increased access

to hospitals and surgeons as the pandemic resides in key markets, and are taking advantage of a backlog of elective surgeries which have been disrupted by the pandemic. Medical trade shows have reverted back to "in-person", which is also helping Osteopore engage with healthcare decision makers.



Osteopore Executive Chairman, Mark Leong said; "Todays result is testament to the team's hard work and dedication in scaling the business. While we still have a long way to go, Osteopore has ambitions to become the most valuable regenerative medical device company in the world. We have proven, superior bone regeneration technology, and believe our implants will become the standard of care globally for natural tissue regeneration. The lifting of COVID restrictions across key markets during the quarter also enabled the sales team to be on-ground in both the US and EU, to support current distributors and sign-up new partners. We have a laser focus to drive further commercialisation and revenue generation through a renewed focus on key markets and exploring inorganic opportunities to scale up. **"**

Appointment of Chief Operating Officer

During the quarter, Osteopore's Chief Technology Officer, Dr Lim Jing, recipient of the "In-Vivo 30 Rising Leaders for 2022", a global listing of people who are making waves across the MedTech sector, was appointed Chief Operating Officer as part of the Company's internal development strategy to improve efficiency and support business growth and expansion, as it breaks into new markets.

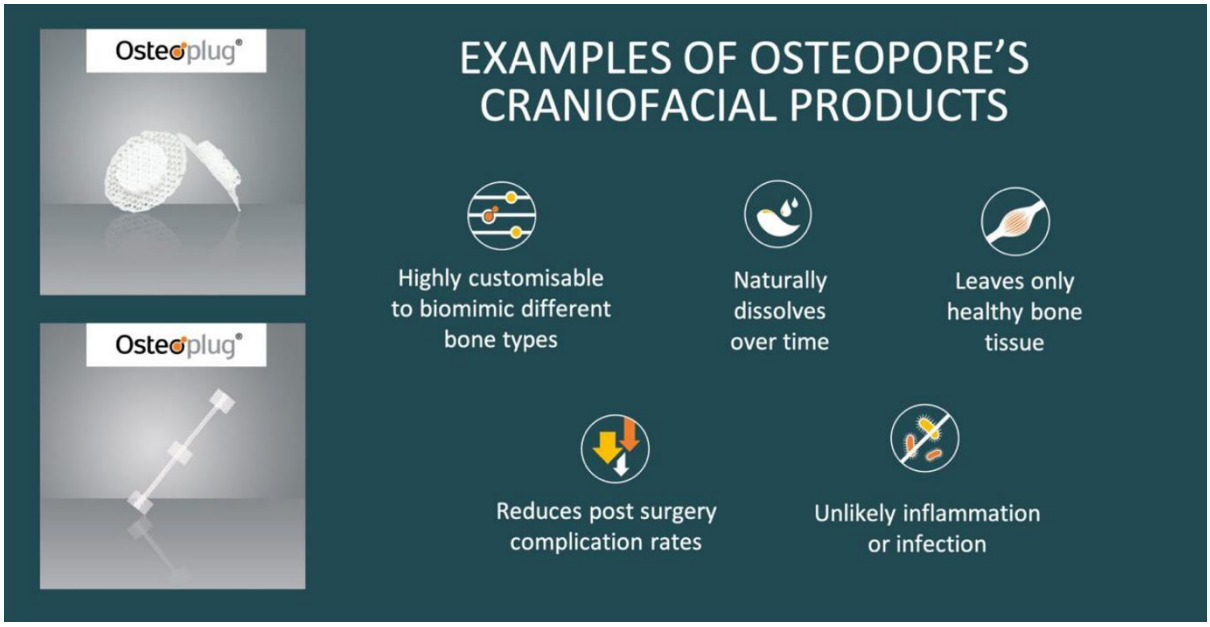
As Chief Operations Officer, Dr Lim Jing is already overseeing the daily business and administrative operations, assessing and enhancing the efficiency of internal and external operational processes, and collaborating with management and other stakeholders to identify initiatives to increase the value of the Company. Dr Lim Jing is also continuing his role as Osteopore's Chief Technology Officer.

Given the significant business transformation program now being implemented at Osteopore, these two executive roles will be pivotal to the ongoing success of the Company. Under this structure, Dr Lim Jing's operational scope will expand to allow for the increased utilisation of the Company's tissue regeneration technology across new applications, and accelerate the development of next generation implants to access multiple billion-dollar markets.

Successful expansion into Latin America

In early April, Osteopore announced its successful expansion into the Latin American market with the first shipment of cranial (skull) regenerative implants to Colombia. The initial orders were received from Osteopore's Colombian based distribution partner, Implar SAS, who will promote the technology to their extensive network of hospitals and surgeons across the region.

Osteopore's implants were also successfully cleared for marketing and sales from Colombia's regulatory agency, INVIMA (Instituto Nacional de Vigilancia de Medicamentos y Alimentos). The move into this region represents an endorsement of Osteopore's strategy to penetrate new markets and drive uptake amongst surgeons. The Company is already harnessing this opportunity to gain regulatory approval in additional Latin American jurisdictions.



Gained an initial foothold in Spain

Osteopore successfully expanded further into the European market, with its first shipment of cranial (skull) regenerative implants to Spain. The initial orders were received from Osteopore's Spain based distribution partner, Acuña y Fombona S.A, who have more than 50 years of industry experience and are one of the main distributors of medical and surgical materials in the region.

The initial shipment of Osteopore products will provide Acuña y Fombona S.A with sufficient inventory to engage their established network of health professionals, hospitals and health services, as well as support the sales team to successfully initiate clinical usage in the Spanish market.

Acuña y Fombona S.A. General Manager, Sergio López-Fombona, said, "We are excited to work with Osteopore to bring their Regenerative Implant for Craniofacial applications to Spain. This will allow us to expand our product portfolio with an outstanding technology and serve a wider range of needs across our network of surgeons, and ultimately to give a better treatment opportunity to their patients."

Osteopore's Marketing Executive, Natasha Zaman, attends the 2022 Spanish Neurosurgeon Society Annual Conference with our Spanish distribution partner Acuña y Fombona.

Successful inroads into the African market

The Company made encouraging inroads into the African market, with its first shipment of cranial (skull) regenerative implants to South Africa. Osteopore's implants are also cleared for marketing and sales by the South African Health Products Regulatory Authority, presenting another immediate commercial opportunity for the business.

The initial orders were received from Osteopore's South Africa based distribution partner, Chronos Medical, who will promote the technology to their network of hospitals and surgeons across the country. Work has already begun to increase adoption in South Africa and the African continent.

Chronos Medical Director, Tristan Baijnath, and Co-Director, Dean Twigg, said, "We are thrilled to be bringing Osteopore to our shores and cannot wait to see the difference this astounding product makes to the lives of our surgeons and patients."

Strengthened our position in Australia

Osteopore signed an exclusive three-year Distribution Agreement with MAXONIQ to promote and sell Osteomesh®, an innovative product for use in orbital floor reconstruction surgery. Osteomesh® already has Therapeutics Goods Administration ("TGA") listing, and MAXONIQ has already begun efforts to engage with doctors and hospitals.

MAXONIQ is an Australian based company specialising in solutions for complex oral and maxillofacial applications. They have an established network of health professionals, hospitals and health services, as well as the sales and client support needed for Osteopore to drive uptake amongst surgeons within the sector.

This collaboration was part of Osteopore's initiative to increase accessibility to its products for surgeons globally, and will help strengthen our reach beyond the Cranial space into the OMF area

where our solutions have been successfully adopted in Asia. This also helps gain a deeper foothold into our home market of Australia.

Collaboration to develop new bone and tissue regeneration applications

Osteopore signed a Collaboration Agreement with SGX Catalist-listed Livingstone Health Holding Limited ("Livingstone Health"), to jointly develop new applications and products for regenerating bone and tissue. Livingstone Health have 19 medical doctors and healthcare professionals, practising at 14 clinics located throughout Singapore.

Under the Collaborative Agreement, surgeons from Livingstone Health will use Osteomesh® for tendon repair, including rotator cuff and Achilles tendon. This marks the first time Osteomesh® will be used for orthopaedic applications in Singapore. Livingstone Health will also use an entirely new Osteopore product, a synthetic fibular strut graft, for bone reconstruction in the upper and lower limbs.

Both of these procedures form part of Osteopore's strategy to not only develop new products, but also uncover new potential applications using its existing commercially available implants. This is a key step in expanding the commercial use of Osteopore's platform technology and will provide Osteopore with important patient data to further support regulatory clearances, market adoption and penetration in Singapore and beyond.

Dr. Wilson Tay, CEO of Livingstone Health, said, "It is an exciting partnership which puts Livingstone Health at the forefront of orthopaedic technology and is in line with the Group's commitment to providing holistic healthcare for our patients. We look forward to working closely with Osteopore to develop cutting-edge products that accelerate healing and reduce the risk of complications patients face post-surgery."

Global television segments

During the quarter, Osteopore was featured in a number of television segments. The first, a segment called "The Future of Medicine" featured Osteopore's innovative tissue engineering and regenerative medicine technology, and was hosted by Laurence Fishburne. The feature aired on the 'In Depth' educational television website across the United States.

The second, was a segment on Channel NewsAsia 3D Nation - Saving Lives, which highlighted that 3D printing is the future in medical implants and surgery. The episode followed Osteopore as the Company created a 3D printed implant for a young man struggling with a concave chest, and a doctor who used 3D printing to visualise and strategise for an upcoming complex surgery.

Osteopore technology featured in "The Future of Medicine" aired on US "In Depth education TV" website with introduction by actor Laurence Fishburne.

A patient with a Osteopore printed partial rib implant was featured on Channel News Asia Documentary "3D Nation – Saving Lives".

Outlook

With regulatory clearances and distribution partners secured in many major markets, the Company is rapidly moving towards growing its footprint across more regions where immediate commercial opportunities exist. A complementary pipeline of new products is also being developed for additional bone regeneration applications

As the effects of COVID-19 begin to diminish across the world, Osteopore is experiencing increased engagement with hospitals, surgeons, and healthcare decision makers. These encouraging tailwinds are opening up opportunities to gain deeper and wider market adoption, and allow the Company to continue its vision to become the standard of care for bone and tissue regeneration globally.

At a time where cost efficiency is becoming a high priority across many corporate sectors, Osteopore products could become even more important to avoid revision surgery. Replacement surgery or revision surgery, is when complications occur with traditional bone regeneration procedures. These revision surgeries are expensive, and can increase the cost to patients and the healthcare system. Osteopore products have a complication rate of 0.01%, meaning our products have a higher likelihood of avoiding revision surgery, saving time and overall healthcare costs.

Corporate and Financial Summary

The attached Appendix 4C provides details on the cashflows for the quarter ended 30 June 2022. As at 30 June 2022 the Company had a cash balance of A$2,336,000. The Company's net cash used in operating activities for the quarter amounted to A$1,029,000 and included expenditure on staff costs of A$589,000 and administration and corporate costs of A$500,000.

Related Party Transactions

Payments in the December quarter to related parties of A$57,000 included at Item 6 in the attached Appendix 4C, comprised of director fees and salaries.

This announcement has been approved for release by the Board of Osteopore.

For more information, please contact:

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About Osteopore Limited

Osteopore Ltd is an Australian and Singapore based medical technology company commercialising a range of products specifically engineered to facilitate natural bone healing across multiple therapeutic areas. Osteopore's patented technology fabricates specific micro-structured scaffolds for bone regeneration through 3D printing and bioresorbable material.

Osteopore's patent-protected scaffolds are manufactured using a proprietary manufacturing technique with a polymer that naturally dissolve over time to leave only natural, healthy bone tissue, significantly reducing post-surgery complications commonly associated with permanent bone implants. Our 3D printer technology is not available in the market and unique to Osteopore.

Forward-Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of Osteopore Limited, are, or may be, forward-looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by these forward-looking statements depending on various factors.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Osteopore Limited	
ABN	**Quarter ended ("current quarter")**
65 630 538 957	30 June 2022

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	364	665
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(55)	(261)
	(c) advertising and marketing	(266)	(456)
	(d) leased assets	-	-
	(e) staff costs	(590)	(1,202)
	(f) administration and corporate costs	(500)	(851)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	17	50
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,029)**	**(2,053)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(43)	(59)
	(d) investments	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	**Net cash from / (used in) investing activities**	**(43)**	**(59)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	17	(16)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	**Net cash from / (used in) financing activities**	**17**	**(16)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,406	4.530
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,029)	(2,053)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(43)	(59)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	17	(16)
4.5	Effect of movement in exchange rates on cash held	(15)	(66)
4.6	**Cash and cash equivalents at end of period**	**2,336**	**2,336**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,334	2,405
5.2	Call deposits	1,002	1,001
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,336**	**3,406**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	57
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Payments made to Directors related to:

1. Non-executive director fees; and
2. Executive director salary and superannuation.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**-**	**-**
7.5	**Unused financing facilities available at quarter end**		-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,029)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	2,336
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	2,336
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	**2.27**

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 24 July 2022

Authorised by: By the Board

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(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – e.g., Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.