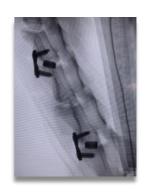
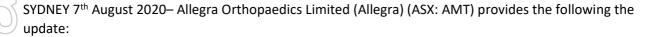


ASX Media Release

Sr–HT–Gahnite Spinal Cage Device Project Update





Due to the global impact of the COVID-19 pandemic, including restrictions on international travel, Allegra has had to delay the implantation of the last group of sheep in Lyon France. This implantation was part of the preclinical large animal study for the cervical fusion device being undertaken (refer to ASX announcement 15 Nov 2019).

Allegra has utilized the time provided by this delay as an opportunity to implement recent advancements in 3D printing technology, therefore allowing the implant design to be enhanced. Fractures of the implants were observed during the 6-months study. As the design of the device is based on forces in the human spine, the main root cause of the fractures was associated with the animal model. More specifically, the neck mobility and the domed shape of the sheep cervical intervertebral disc and the contact pressures of the spinal joint are significantly different to human cervical spine.

Hence the revised design will improve the strength of the implant significantly and allow for the physiological differences in the animal model.

Subject to any further delays imposed by COVID-19, Allegra expects to continue with the study and implant the last set of animals with the improved implant design in January 2021

As a consequence, the small confirmatory human clinical trial in Australia, being the final step before commercialisation, will also be delayed.

Allegra Orthopaedics Limited

Level 8, 18 -- 20 Orion Rd, Lane Cove West NSW 2066 Australia; PO Box 72 St Leonards NSW 2065 Australia

T+612 9119 9200 T Toll Free 1800 644 370

F+612 9439 4441 F Toll Free 1800 624 223

E sales@allegraorthopaedics.com

Jenny Swain, Chief Executive Officer, commented that "Whilst the global pandemic has challenged the timeline for the bone project, it has allowed improvements to be made to the spinal fusion cage design. This in turn will provide better outcomes for the device"

Authorised by Jenny Swain, CEO

Contact details: Justyn Stedwell Company Secretary T: 03 8 395 5446

ABOUT ALLEGRA ORTHOPAEDICS:

We aim to help bring the freedom and happiness of pain-free movement to people's lives. We achieve this through providing the best possible solutions for patients, from world-wide industry leading orthopaedic products through to Australian innovations. Allegra's principal product, the Active Total Knee, has significantly improved the quality of life for many people and remains a focused product line. Allegra is also the exclusive distributors of Waldemar Link GmbH & Co. KG products in Australia. Link consists of a range of complex lower limb, hip and knee replacements, including oncology solutions. The Link products add to Allegra's well-developed range of products for distribution from international suppliers covering all specialties from foot and ankle to upper limb. The company is pleased to continue to build upon its extensive portfolio of patents. It has strong research relationships with universities, companies and surgeon inventors, including its global licensee to the composite biocompatible ceramic material known as Sr-HT-Gahnite from the University of Sydney.