

19 July 2023

Dear Option Holder,

ALLEGRA ORTHOPAEDICS LIMITED PRO RATA NON-RENOUCEABLE ENTITLEMENT OFFER – LETTER TO OPTION HOLDER

I am writing to you as a holder of options over ordinary shares in Allegra Orthopaedics Limited (**Allegra or Company**) (ASX: AMT) as at the date of this letter.

The Company announced today the undertaking a non-renounceable entitlement offer of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every three (3) Shares held at an issue price of \$0.09 per Share to raise circa \$3,133,776 (before costs) (**Entitlement Offer**).

The Company intends to apply the funds raised from the Entitlement Offer (less expenses) for ongoing commercialisation activities for cervical spinal cage, general and admin costs, corporate costs, financing costs and additional working capital. Further details of the Entitlement Offer and use of funds are contained in the offer document which will be distributed to Eligible Shareholders on 2 August 2023. The offer document is available on the ASX Market Announcements Platform under the ticker code “AMT”.

The Entitlement Offer will be available to shareholders who, as at the Record Date, have a registered address in Australia or New Zealand or are shareholders that the Company has otherwise determined are eligible to participate in the Entitlement Offer. Shareholders who are not Eligible Shareholders are not eligible to participate in the Entitlement Offer (**Ineligible Shareholders**).

The purpose of this letter is to give you notice, as an option holder in the Company, that if you wish to participate in the Entitlement Offer in relation to the shares underlying your options, you must exercise your options before the Record Date.

Notice of exercise of your options and payments of the exercise price of the options must be received by the Company on or before 7.00pm (AEST) Wednesday, 2 August 2023. Any notice of exercise of options received after this date cannot be assured of the allotment of shares by the Record Date.

There is no obligation for you to exercise your options. This letter is intended to inform you of your rights in relation to your options and the Entitlement Offer. If you do not wish to participate in the Entitlement Offer, you do not need to take any action.

Key Dates

The indicative timetable for the Entitlement Offer is as follows:

Activity	Date
Announcement of the Entitlement and lodgement of Appendix 3B with ASX	Wednesday, 19 July 2023
“Ex” Date for Entitlement Offer	Thursday, 27 July 2023

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

www.allegraorthopaedics.com

Activity	Date
Record Date for Entitlement Offer	7.00 p.m. (AEST) on Friday 28 July 2023
Offer Booklet and Entitlement and Acceptance Form despatched and announced. Entitlement Offer opens	Wednesday, 2 August 2023
Last day to extend the Closing Date	Thursday, 17 August 2023
Closing Date of the Entitlement Offer	5.00 p.m. (AEST) on Tuesday, 22 August 2023
Shares quoted on a deferred settlement basis	Wednesday, 23 August 2023
Announcement of results of Entitlement Offer and under-subscriptions	Thursday, 24 August 2023
Issue of Offer Shares under the Entitlement Offer and lodgement of Appendix 2A with ASX applying for quotation of the Shares	12:00pm (AEST) Tuesday, 29 August 2023

If you have any queries concerning the Offer, please contact your financial adviser or Robyn Slaughter, Allegra Orthopaedics' Company Secretary.

This announcement has been authorised for release by the Board of Directors.

Contact details:

Robyn Slaughter
 Company Secretary
 T: +61 2 8072 1435

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 distributor 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.

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