7 August 2024

Dear Investor,

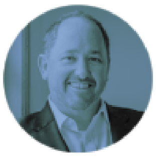
We are pleased to bring you this edition of the Control Bionics Investor Newsletter, packed with updates from an eventful week.

In this issue, we highlight the proposed strategic investment by North Star Impact Fund, which is expected to further strengthened our financial position and open new avenues for growth. We also provide insights from our recently released Quarterly Activities Report, offering a view of our progress and future direction.

Additionally, don't miss the recap of my presentation at the TechKnow Invest Roadshow, where I shared our latest innovations and growth strategies. We are also pleased to include a link to last week's TV interview with Ausbiz, where I discussed our company's vision and the exciting developments ahead.

Thank you for your continued support as we drive forward with our mission to create impactful and transformative technology.

Warm regards,



Jeremy Steele
CEO and Managing Director,
Control Bionics

Strategic investment by North Star Impact Fund

On July 31, we announced a proposed $0.525m strategic investment from one of Australia's largest impact funds.

We are excited to share that North Star Impact Fund is to invest $0.525 million through the proposed issue of 10,000,000 new fully paid ordinary shares at an issue price of $0.0525 per share.

This partnership with North Star Impact Fund, Australia's only certified equities impact fund, represents more than just an infusion of capital—it marks the beginning of a strategic alliance.

With a strong track record of supporting companies that deliver positive societal impact, North Star is ideally aligned with Control Bionics' mission to innovate and expand our technological reach. We are eager to collaborate with Kerry Series and his experienced team to further accelerate our growth trajectory.

We appreciate the continued support of our investors and are confident that this partnership will bring significant value to Control Bionics and its shareholders.

> Read ASX Announcement

We released our Quarterly Activities Report

Strategically important quarter for the business with a number of long running opportunities landing for the business.

In a challenging economic and operating environment, I am pleased with the progress we've made against our strategic objectives. The outcomes we've delivered for DROVE, our progress in Japan and significant contract wins in the US are both a reflection of the work done over recent months and years as well as features that will underpin our future growth in the disability sector. And importantly, we are making strong progress in the development of our unique and innovative NeuroStrip technology which will provide both growth and diversification in our revenue streams.

Our Australian business continues its strong growth trajectory but also continues to experience significant delays in NDIS approvals. This has impacted our ability to convert the pipeline of orders to revenue and cash as we await their approval. This has been an ongoing industry wide issue throughout FY24 and we expect the problem to correct during FY25. It is encouraging that the issues we experienced with a third party billing provider in Q3FY24 in the US dissipated in the last quarter, with record monthly revenue for our US subsidiary in June.

> Read ASX Announcement

Media Spotlight: Ausbiz TV Interview

> Watch Video

Taking the stage at Australia's largest Investment Conference for the Tech Sector

On 31 July, I was invited to present at TechKnow Invest Roadshow in Melbourne

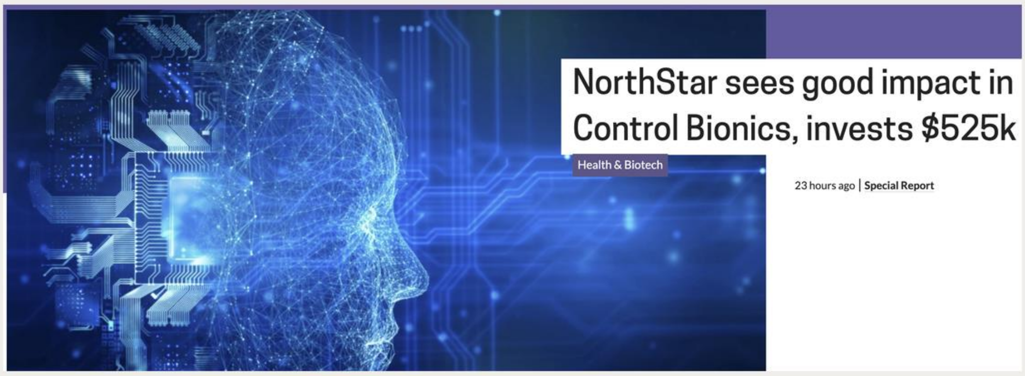
> Read Event Presentation

This premier event features ASX-listed tech and medtech companies. It was the perfect opportunity for investors and brokers to discover new investment opportunities, connect with company executives, and network with fellow attendees.

I highlighted recent developments and the growth opportunities for NeuroNode, DROVE and NeuroStrip®.

The event gave us a brilliant opportunity to create further investor awareness and showcase our technology.

Media Spotlight: Control Bionics Special Report in The Australian and Stockhead

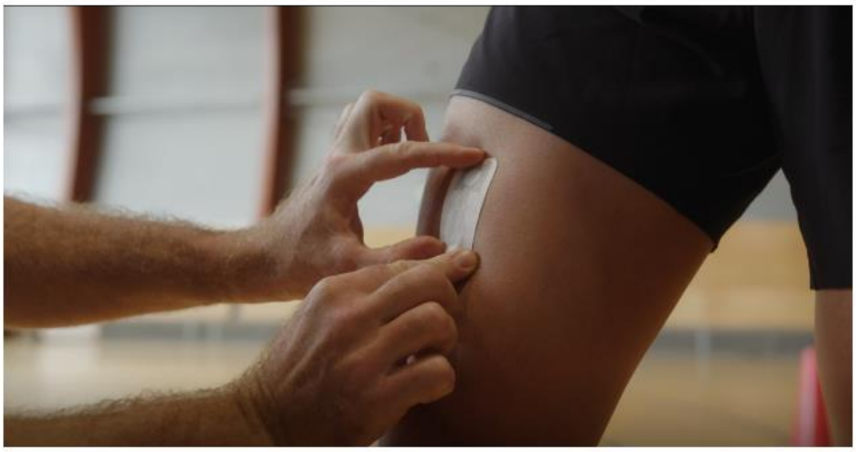


Stockhead featured our strategic investment news to its network.

This leading news publication dedicated to connecting investors with emerging ASX-listed companies featured our strategic investment with North Star Impact Fund.

> Read Article

What We Can Look Forward To This Quarter



- Commercial roll-out of DROVE
- New partnerships for standalone NeuroNode strategy in Japan and Europe
- Prototype for first reusable NeuroStrip® finalised
- Clinical trials commence in the US for DROVE
- First commercial sales of NeuroStrip® in sports and rehab segments