

XTANT MEDICAL HOLDINGS, INC.

WHISTLEBLOWER AND ANTI-RETALIATION POLICY

Xtant Medical Holdings, Inc. is committed to the highest possible standards of ethical, moral and legal business conduct. In line with this commitment and the Company's commitment to open communication, this whistleblower and anti-retaliation policy (this "Policy") provides an avenue for employees to raise concerns while being protected from reprisals or retaliation for whistleblowing in good faith. This Policy applies to all employees of the Company, including part time, temporary and contract employees. Xtant Medical Holdings, Inc. and its subsidiaries are collectively referred to herein as the "Company."

I. PURPOSE OF POLICY.

The purpose of this policy is to provide an avenue for employees to raise concerns about the Company's potential wrongdoing while being protected from reprisals or retaliation for whistleblowing in good faith. A whistleblower is a person who raises a concern about wrongdoing occurring in an organization or body of people. Usually, a whistleblower works within the organization about which he or she is concerned. The Company's potential misconduct may be classified in several ways; the most common allegations relate to fraud, ethics violations or serious concerns about human resource matters, such as interactions between employees. Whistleblowers may make their allegations internally (for example, to other people within the organization) or externally (to regulators or law enforcement agencies).

Grievances of this sensitive nature require special treatment. Examples include cases of harassment, bullying, and whistle blowing where employees may not feel comfortable voicing their concerns to their direct managers, or the concerns may relate directly to an employee's direct manager.

II. SCOPE OF POLICY.

This Policy is intended to cover serious concerns that could have a significant impact on the Company, such as actions that: (a) may lead to incorrect financial reporting, (b) are unlawful, (c) are not in line with company policy, including the Code of Business Conduct and Ethics; or (d) otherwise amount to serious improper conduct.

Concerns regarding regular business matters that do not require anonymity should be directed to the employee's supervisor and are not addressed by this Policy. Employment-related concerns should be reported through normal channels to the employee's supervisor or to a Human Resources representative.

III. REPORTING PROCEDURES.

The whistle blowing procedure is intended to be used for serious and sensitive issues. The following should be considered and/or included when making a complaint: (1) timing; express concerns early; (2) seriousness of the concern; demonstrate to the person contacted that there are sufficient grounds for further inquiry; (3) specificity; be prepared to describe the allegation in detail (parties involved, timeline, location).

Serious concerns relating to financial reporting, unethical or illegal conduct should be reported in one of the following ways:

Reports. Reports may be made in person, by telephone, or in writing (including e-mail). Generally, an employee should report prohibited conduct to his or her supervisor. If an employee is uncomfortable, unsatisfied, or unable to report the prohibited conduct to his or supervisor for any

reason (i.e. the prohibited conduct involves the supervisor), the employee should report the prohibited conduct directly to the Chief Executive Officer. Circumstances may occur in which the Chief Executive Officer may not be the most suitable recipient for a report under this policy. In such circumstances, the employee may report his or her concern to the Chair of the Audit Committee of the Board of Directors through email to whistleblower@xtantmedical.com, which is a dedicated e-mail address to the Audit Committee Chair, or by letter addressed to the attention of the Audit Committee Chair and sent to the following address: P.O. Box 748, Belgrade Montana 59714.

The Company will treat all communications under this Policy in a confidential manner, except to the extent necessary (a) to conduct a complete and fair investigation, or (b) for reviews of Company operations by the Company's Board of Directors, its Audit Committee, and the Company's independent public accountants.

Anonymous Complaints. Employees may report complaints anonymously and are encouraged to create a free, anonymous e-mail account to anonymously report concerns about potential misconduct. When reporting, every effort will be made to protect the complainant's identity. Please note that the information provided by you may be the basis of an internal and/or external investigation into the issue you are reporting. Your anonymity will be protected to the greatest extent possible. However, your identity may become known during the course of the investigation.

Concerns expressed anonymously will be investigated, but consideration will be given to: (1) the seriousness of the issue raised; (2) the credibility of the concern; and (3) the likelihood of confirming the allegation from attributable sources. Malicious allegations may result in disciplinary action.

IV. FOLLOW-UP AND INVESTIGATION.

The action taken will depend on the nature of the concern. Complaints involving senior staff are routed to the next most senior person not involved in the accusation. Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take, if necessary. Some concerns may be resolved by agreed action without the need for investigation. The complainant will have the opportunity to receive updates on actions taken regarding:

- (1) Acknowledging that the concern was received;
- (2) Indicating how the matter will be dealt with;
- (3) Giving an estimate of the time that it will take for a final response;
- (4) Telling them whether initial inquiries have been made; and
- (5) Telling them whether further investigations will follow, and if not, why.

The amount of contact between the complainant and the person investigating the concern will depend on the nature of the issue, the clarity of information provided, and whether the complainant remains accessible for follow-up. Further information may be sought from the complainant. Subject to legal constraints, the complainant will receive information about the outcome of any investigations.

V. SPECIAL PROCEDURES FOR AUDITING AND ACCOUNTING CONCERNS.

As an additional measure to support our commitment to ethical conduct, the Audit Committee of our Board of Directors has adopted the following policies and procedures for (1) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal controls, or auditing

matters; and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

A. Reporting of Concerns or Complaints Regarding Accounting, Internal Controls, or Auditing Matters. Employees may choose any of the following modes of communicating suspected violations of law, policy, or other wrongdoing, as well as any concerns regarding questionable accounting or auditing matters (including deficiencies in internal controls):

(1) Report the matter to your manager with a request to direct it to the Chairman of the Audit Committee; or

(2) Report the matter to the Chief Executive Officer or Internal Auditor with a request to direct it to the Chairman of the Audit Committee; or

(3) Report the matter directly to the Chairman of the Audit Committee (refer to contact information above).

B. Response to Financial-Related Complaints. A complaint under this section of the Policy is provided to the Chairman of the Audit Committee. The Chairman of the Audit Committee will determine, in consultation, as needed, with General Counsel, the proper method of investigation of the complaint, including whether the complaint can be investigated internally.

VI. ANTI-RETALIATION.

Any individual who, in good faith, reports a possible violation or complaint under this Policy, even if the report is mistaken, or who assists in the investigation of a reported violation, will be protected by the Company. Retaliation in any form against these individuals will not be tolerated. Any act of retaliation should be reported immediately and will be disciplined appropriately.

Specifically, the Company will not discharge, demote, suspend, threaten, harass, or in any other manner discriminate or retaliate against any employee in the terms and conditions of the employee's employment because of any lawful act done by that employee to either (a) provide information, cause information to be provided, or otherwise assist in any investigation regarding any conduct that the employee reasonably believes constitutes a violation of any company Code of Conduct, law, rule, or regulation, including any rule or regulation of the Securities and Exchange Commission or any provision of Federal law relating to fraud against shareholders, or (b) file, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or, to the employee's knowledge, about to be filed relating to an alleged violation of any such law, rule, or regulation.