

21 September 2018

Manager of Company Announcements
ASX Limited
Level 6
20 Bridge Street
SYDNEY NSW 2000

Dear Sir or Madam

NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT 2001 (CTH) - CLEANSING NOTICE


On 21 September 2018, GI Dynamics, Inc. (**Company**) issued 150,000,000 CHESS Depositary Interests (**CDIs**) (representing 3,000,000 shares of the Company's common stock) at an issue price of AUD \$0.02 per CDI to a certain sophisticated investor in the United States of America to raise approximately AUD \$3,000,000 the terms of which were announced to the market on 20 September 2018 (**Placement**).

The Company hereby notifies the ASX under section 708A(5)(e) of the Corporations Act 2001 (Cth) (as modified by ASIC Class Order 14/827) (**Act**), that:

- 1 the Company issued the CDIs under the Placement without disclosure to investors under Part 6D.2 of the Act;
- 2 this notice is being given under paragraph (5)(e) of the Act;
- 3 as at the date of this notice, the Company has complied with the requirements of section 601CK of the Act and section 674 of the Act; and
- 4 as at the date of this notice, there is no information that:
 - (a) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (b) investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (ii) the rights and liabilities attaching to the CDIs,

to the extent to which it would be reasonable for investors and their professional advisers to expect to find such information in a disclosure document.

Yours faithfully,

A blue ink signature of Scott Schorer, consisting of a stylized, cursive 'S' followed by 'Schorer' in a more legible script.

Scott Schorer
President and CEO