



21 December 2016

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 December 2016, GI Dynamics, Inc. (**Company**) issued 69,865,000 CHESS Depositary Interests (**CDIs**) (representing 1,397,300 shares of Common Stock) at an issue price of A\$0.022 per CDI to sophisticated and professional investors in Australia and certain other jurisdictions to raise approximately A\$1.5 million, the terms of which were announced to the market on 14 December 2016 (**Placement**).

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

- 1 the Company issued the CDIs under the Placement without disclosure to investors under Part 6D.2 of the Act;
- 2 the Company as at 21 December 2016 has complied with the requirements of section 601CK of the Act and section 674 of the Act; and
- 3 as at 21 December 2016 there is no information:
  - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - (b) that 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 Company's securities,

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

Yours faithfully,

A handwritten signature in black ink, appearing to read 'James Murphy', written over a printed name and title.

James Murphy  
CFO & Company Secretary

355 Congress Street, Fourth Floor • Boston, Massachusetts • 02110