

Appendix 3B

New Issue Announcement, Application for Quotation of Additional Securities and Agreement.

*Information or documents not available now must be given to ASX as soon as available.
Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity:

Rhinomed Limited (ASX: RNO)

ACN:

107 903 159

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Ordinary shares
Unlisted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | a) 452,370 ordinary shares
b) 246,148 ordinary shares
c) 9,000,000 unlisted options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | a & b) Fully paid ordinary shares

c) 9,000,000 unlisted options exercisable at \$0.287, expiring 21 December 2021 |

+ See chapter 19 for defined terms.

4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	a & b) Yes, the shares will be quoted and rank equally with all other quoted shares on issue c) No, the unlisted options are new classes of securities and may only be exercised in accordance with their terms and conditions. On exercise, the shares issued will rank equally with existing quoted shares
5 Issue price or consideration	a & b) \$0.21 per share c) Nil
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	a) Issue of ordinary shares pursuant to Share Purchase Plan announced on 21 November 2018 b) Issue of ordinary shares pursuant to Resolutions 5 and 6 as approved by shareholders at the Annual General Meeting held on 14 December 2018 c) Issue of unlisted options pursuant to Resolutions 7, 8, 9 and 10 as approved by shareholders at the Annual General Meeting held on 14 December 2018
6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes
6b The date the security holder resolution under rule 7.1A was passed	14 December 2018

⁺ See chapter 19 for defined terms.

6c	Number of *securities issued without security holder approval under rule 7.1	Nil	
6d	Number of *securities issued with security holder approval under rule 7.1A	Nil	
6e	Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of securities issued under an exception in rule 7.2	a) 452,370 ordinary shares b) 246,148 ordinary shares c) 9,000,000 unlisted options	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to the attached Annexure 1	
7	Dates of entering *securities into uncertificated holdings or despatch of certificates	21 December 2018	
8	Number and *class of all *securities quoted on ASX (including the securities in section 2 if applicable)	Number	*Class
		141,933,281	Fully paid ordinary shares

+ See chapter 19 for defined terms.

- 9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)

Number	+Class (Options over Ordinary Shares)		
Amount	Exercise Price	Expiration Date	ASX Code
9,000,000	\$0.287	21 December 2021	
6,000,000	\$0.27	30 April 2020	
150,000	\$0.40	30 December 2020	
1,800,000	\$0.65	11 April 2019	
76,923	\$0.65	30 April 2019	
1,000,000	\$0.674	30 April 2019	
18,026,923	Total		

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Unchanged

Part 2 - Bonus issue or pro rata issue

- 11 Is security holder approval required?

Not applicable

- 12 Is the issue renounceable or non-renounceable?

Not applicable

- 13 Ratio in which the +securities will be offered

Not applicable

- 14 +Class of +securities to which the offer relates

Not applicable

- 15 +Record date to determine entitlements

Not applicable

- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

Not applicable

- 17 Policy for deciding entitlements in relation to fractions

Not applicable

- 18 Names of countries in which the entity has +security holders who will not be sent new issue documents

Not applicable

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	Not applicable
25	If the issue is contingent on *security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do *security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable

+ See chapter 19 for defined terms.

32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Despatch date	Not applicable

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders

36 ☐ If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional *securities

Entities that have ticked box 34(b)

38 Number of securities for which *quotation is sought

39 Class of *securities for which quotation is sought

40 Do the *securities rank equally in all respects from the date of allotment with an existing *class of quoted *securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

- 41 Reason for request for quotation now
(if issued upon conversion of another security, clearly
identify that other security)
Example: In the case of restricted securities, end of restriction
period

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- 42 Number and +class of all +securities quoted on
ASX (*including* the securities in clause 38)

Number	+Class

Quotation Agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign Here:



Company Secretary
Phillip Hains

Print Name:

Date: 21 December 2018

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	117,038,053
Add the following: - Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	698,518 24,196,710 Nil
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	141,933,281

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	21,289,992

Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	Nil
“C”	Nil

Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	21,289,992
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.15] – “C”	21,289,992

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	141,933,281
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: This value cannot be changed</i>
Multiply “A” by 0.10	14,193,328
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	Nil
“E”	Nil
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	14,193,328
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	14,193,328 <i>Note: This is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.

RHINOMED

MAKE EVERY BREATH COUNT

ASX ANNOUNCEMENT

Notice Under Section 708A(5) of the Corporations Act [ASX Code: RNO]

21 December 2018

This notice is given under paragraph (5)(e) of section 708A of the *Corporations Act 2001*.

Type:	Shares
Class/Description:	Fully paid ordinary shares
ASX Code:	RNO
Date of Issue:	21 December 2018
Number Issued:	698,518
Issue Price:	\$0.21 per share

The Company intends to apply to Australian Stock Exchange Limited for quotation of the above shares.

Accordingly, the Company gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (the "Corporations Act") that:

1. the abovementioned ordinary shares were issued without disclosure to investors under Part 6D.2 of the *Corporations Act*;
2. as at the date of this notice the Company has complied with:
 - (i) the provisions of Chapter 2M *Corporations Act* as they apply to the Company; and
 - (ii) section 674 *Corporations Act*; and
3. as at the date of this notice there is no "excluded information" (as defined in subsection 708A(7) of the *Corporations Act*) which is required to be disclosed by the Company.

For and on behalf of the Company,



Phillip Hains
Company Secretary