

R H I N O M E D

NOTICE OF 2014 ANNUAL GENERAL MEETING

Date: 29 October 2014

Time: 10:00 AM AEDT

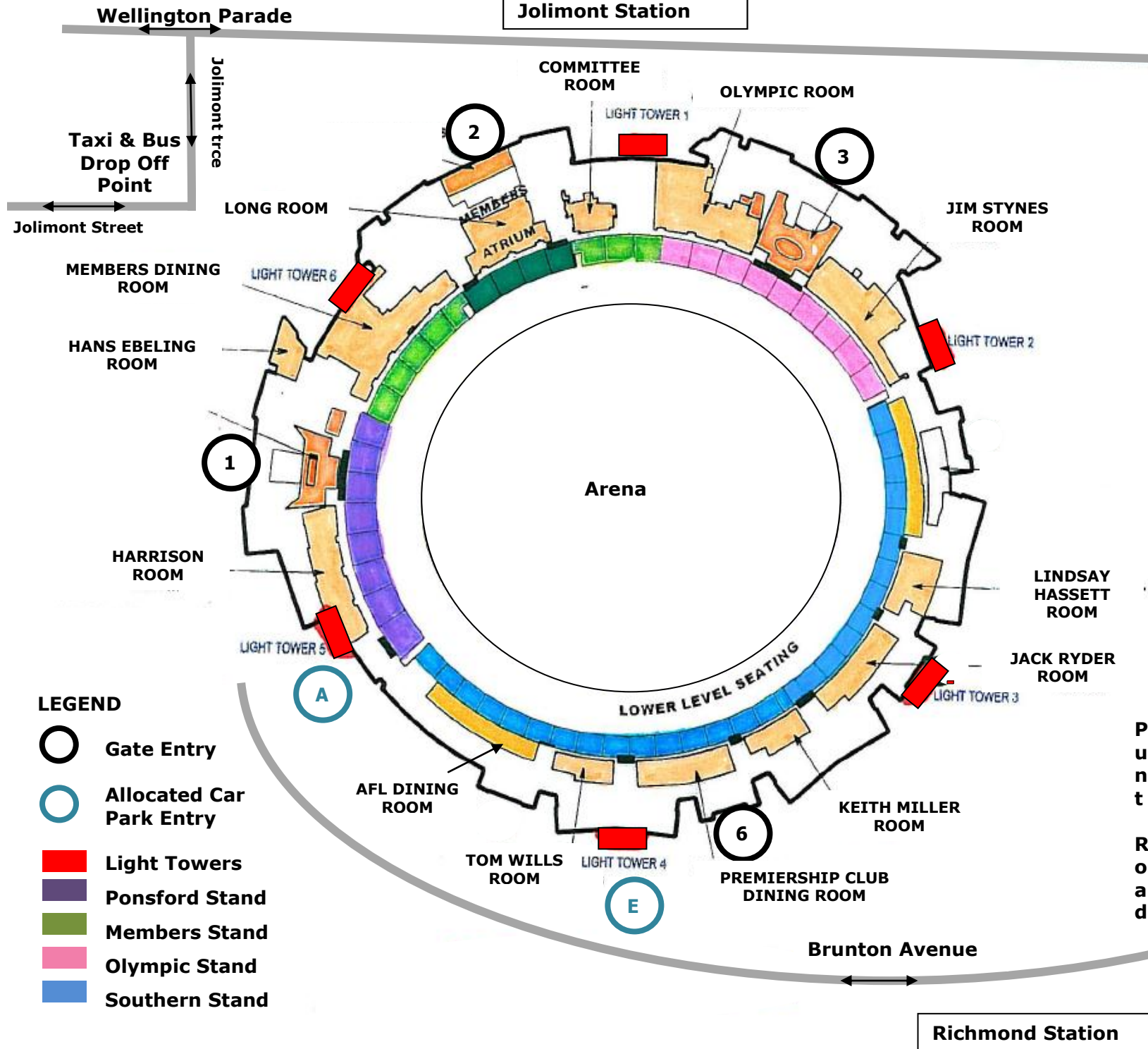
Location: Keith Miller Room in the Great Southern Stand (Level 2)
Melbourne Cricket Ground, Brunton Avenue, East Melbourne, VIC.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Hilton Hotel /
Jolimont Station

Keith Miller Room Level 2

Please use lifts 14,15 to access these rooms MCG Parking – Entrance E off Brunton Ave Gate entry – Gate 6A (b/w light towers 3&4)



- LEGEND**
- Gate Entry
 - Allocated Car Park Entry
 - Light Towers
 - Ponsford Stand
 - Members Stand
 - Olympic Stand
 - Southern Stand

If you are coming to the ground by –
TRAIN - RICHMOND STATION
 Exit station and cross Punt rd. Walk towards the MCG, along Brunton Ave, you will see some stairs, go up the stairs & enter at the above allocated room gate.

TRAIN - JOLIMONT STATION OR
TRAM - FROM WELLINGTON PRDE
 Exit station and walk through the park towards the MCG & enter at the above allocated room gate

TRAM FROM OLYMPIC PARK
 Get off the tram at Rod Laver arena stop. Walk up ramp to the footbridge to the MCG & enter at the above allocated room gate

TAXI
 Ask the cab driver to drop you off at the corner of Jolimont Terrace and Jolimont Street & enter at the above allocated room gate

PUBLIC PARKING FACILITIES
 Federation Square – cnr Flinders & Swanston Streets
 City Square Car park – 202 /208 Flinders Lane
 Metered parking in the area – Jolimont Street, Jolimont Terrace, Clarendon Street

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Richmond Station

RHINOMED LIMITED
ACN: 107 903 159

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2014 Annual General Meeting of Rhinomed Limited ACN 107 903 159 will be held in the Keith Miller Room in the Great Southern Stand (Level 2) of the Melbourne Cricket Ground on Wednesday, 29 October 2014 at 10:00am.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

1. Agenda for the Meeting

Financial statements and reports

To receive the Annual Financial Report, including Directors' declarations and accompanying reports of the Directors and auditors for the financial year ended 30 June 2014.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the Company's annual financial statements and reports.

The Company's auditor, HLB Mann Judd, will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

The Rhinomed Limited 2014 Annual Report can be viewed online at the Company's website www.rhinomed.com.au on the "Annual Reports" page under "Investor Information".

Resolution 1 - Adoption of Remuneration Report

To consider and if thought fit, to pass, with or without amendment, the following resolution as a non-binding resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2014 included in the Directors' Report, which is attached to the Company's annual financial report as required under section 300A of the Corporations Act, be adopted by the Company."

Voting Exclusion Statement: In accordance with the Corporations Act the Company will disregard any votes cast in relation to this resolution by or on behalf of the Key Management Personnel, which includes the Directors and executives in the consolidated group whose remuneration is included in the Remuneration Report and their closely related parties (Excluded Persons). However, the Company need not disregard a vote if:

- it is cast by an Excluded Person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 2 – Re-election of Martin Rogers as a Director

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of clause 11.3 of the Constitution and for all other purposes, Martin Rogers, a Director who retires by rotation, and being eligible, is re-elected as a Director.”

Resolution 3 – Approve the previous issue of 58,806,916 Shares

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and all other purposes, the previous issue of 58,806,916 Shares, as referred to in the Explanatory Statement, is approved.”

Voting exclusion statement: The Company will disregard any votes cast on this Resolution by any person who participated in the issues of Shares and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 4 - Approval of issue of Shares pursuant to underwriting of SPP

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That for the purpose of ASX Listing Rule 7.1 and all other purposes, approval is given for the allotment and issue of up to 45,714,285 Shares at \$0.035 per Share pursuant to the SPP Underwriting Agreement as described in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast on this Resolution by any person who will participate in the issue and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 5 – Approve Employee Share Option Plan

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9) and all other purposes, approval is given to establish and administer the Company’s Employee Share Option Plan and for the issue of Options pursuant to the Plan as an exception to ASX Listing Rule 7.1.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by any Director of the Company (except one who is ineligible to participate in the Employee Share Option Plan). However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 6 – Approval of additional capacity to issue shares under ASX Listing Rule 7.1A

To consider, and if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by a person who may participate in the 10% Placement Facility issue and a person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if this Resolution is passed, and any associates of those persons. However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Determination of voting entitlement

For the purpose of determining a person's entitlement to vote at the Meeting, a person will be recognized as a shareholder and the holder of Shares if that person is registered as a holder of those Shares at 7:00 p.m. AEDT on 27 October 2014.

3. Votes

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

4. Proxies

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a Shareholder.

To be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority) must be received by the Company by 10:00 a.m. AEDT on 27 October 2014:

- by mail to the Company at PO Box 8694, Armadale, VIC, 3143;
- personally to the Company at Suite 1, 1233 High St, Armadale, VIC, 3143; or
- by facsimile to +61 (03) 9822 7735.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the form of proxy for that item of business.

Subject to the voting restrictions set out in the Voting Exclusion Statement, the Chairperson will vote undirected proxies on, and in favour of all Resolutions.

If the proxy is the Chairman, the Chairman can also vote undirected proxies on the Resolution to adopt the Remuneration Report (Resolution 1) provided that proxy form expressly authorises the Chairman to vote even though the Resolution is connected with the remuneration of the key management personnel.

A form of proxy accompanies this Notice. Further instructions are on the Proxy Form.

5. Questions and Comments by Shareholders at the Meeting

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for Shareholders to ask questions of the Company's external auditor, HLB Mann Judd. These questions should be relevant to:

- a) the conduct of the audit;
- b) the preparation and contents of the audit report;
- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to HLB Mann Judd if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2014. Relevant written questions for HLB Mann Judd must be received by the Company no later than 10:00am AEDT on 22 October 2014. A representative of HLB Mann Judd will provide answers to the questions at the Meeting.



Justyn Stedwell

Company Secretary

On behalf of the Board of Directors

Rhinomed Limited

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Resolution 1: Adoption of remuneration report

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 30 June 2014.

The Remuneration Report sets out details of the remuneration received by the directors and key Company executives, in addition to describing Board policy in respect of remuneration. Resolution 1 seeks shareholder approval of the adoption of the Remuneration Report by the Company.

The outcome of this resolution is not binding on the Company or the Board. However, sections 250U to 250Y of Corporations Act requires a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report and provide that:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the 2015 Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs, shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Company has not received a first strike.

The Remuneration Report is set out in the Company's 2014 Annual Report which can be viewed online at the Company's website, www.rhinomed.com.au.

Resolution 2: Election of Martin Rogers as a Director

In accordance with clause 11.3 of Constitution, Martin Rogers, a Director who retires by rotation at the close of this Annual General Meeting, offers himself for re-election as a Director.

Martin Rogers is a successful startup investor and company director. Mr Rogers has Chemical Engineering and Science degrees and has a depth of experience in incubating companies and publicly listed organisations.

Mr Rogers has experience in all aspects of financial, strategic and operational management and has helped raise over \$100 million cash equity. Mr Rogers has been both an investor and senior executive in a private funded advisory business in the science and biotechnology sectors, where he was instrumental in significantly increasing the value of those investments. Mr Rogers also holds a number of not-for-profit roles.

Director's recommendation

All of the non-associated Directors recommend that shareholders vote in favour of Resolution 2.

Resolution 3 – Approve the previous issue of 58,806,916 Shares

General

In September 2014, the Company completed a placement of approximately 98,344,860 Shares, at \$0.035 per Share, to sophisticated and professional investors raising approximately \$3.4 million before costs. The Shares were issued without prior shareholder approval and in accordance with ASX Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.1, 7.1A & 7.4

ASX Listing Rule 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies. In addition, at the Company's 2013 Annual General Meeting (AGM), the Company's shareholders approved a resolution pursuant to ASX Listing Rule 7.1A to allow the Company to issue a further 10% of the existing capital of the Company in a 12 month period from the 2013 AGM.

Of the 98,344,860 Shares issued under the placement 58,806,916 were issued pursuant to ASX Listing Rule 7.1 and 39,537,944 were issued pursuant to ASX Listing Rule 7.1A. This Resolution seeks shareholder approval for the previous issue of the 58,806,916 issued pursuant to ASX Listing Rule 7.1 for the purposes of ASX Listing Rule 7.4 and all other purposes.

Under ASX Listing Rule 7.4 an issue of equity securities will be treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. The Company now seeks shareholder ratification of the issue of those 58,806,916 Shares pursuant to ASX Listing Rule 7.4.

If Resolution 3 is approved, the prior issue of 58,806,916 Shares may be treated by the Company as having been made with approval under ASX Listing Rule 7.1. The Company will therefore be able to

issue additional equity securities, without the 58,806,916 Shares counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1.

The Company is not seeking approval for the 39,537,944 Shares issued pursuant to ASX Listing Rule 7.1A as part of this Resolution, as Resolution 6, approval of additional capacity to issue shares under ASX Listing Rule 7.1A, if approved, will refresh the Company's 10% issuing capacity pursuant to ASX Listing Rule 7.1A.

Information required by ASX Listing Rule 7.5

The following information is provided in compliance with ASX Listing Rule 7.5:

- a) ASX Listing Rule 7.5.1: Number of securities issued:

58,806,916 Shares

- b) ASX Listing Rule 7.5.2: The issue price of securities

\$0.035 per Share

- c) ASX Listing Rule 7.5.3: Terms of securities

The Shares rank equally in all respects with all other Shares on issue.

- d) Name of allottees or basis on which allottees were determined:

The Shares were issued to clients of Baillieu Holst Ltd under sections 708(8) and 708(10) of the Corporations Act, and no related parties of the Company participated in the placement.

- e) ASX Listing Rule 7.5.5: Use (or intended use) of the funds raised

Funds raised will be used to fund working capital and the further development and commercialization of the Company's BreatheAssist product suite.

- f) ASX Listing Rule 7.5.6: Voting exclusion statement

A voting exclusion statement is included in the Notice.

Director's recommendation

All of the Directors recommend that shareholders vote in favour of Resolution 3.

Resolution 4 - Approval of issue of Shares pursuant to underwriting of SPP

General

On 1 September 2014, the Company also announced that it was offering existing eligible Shareholders the opportunity to participate in a Share Purchase Plan (SPP) to raise approximately \$1.6 million. The SPP, is underwritten by Baillieu Holst to \$1.6 million in accordance with the terms of the SPP Underwriting Agreement. The obligation of Baillieu Holst to underwrite the SPP is conditional on the Company obtaining the approval of Shareholders at a general meeting to issue, if required, any Shares to Baillieu Holst or as it directs pursuant to the SPP Underwriting Agreement for the purpose of Listing

Rule 7.1. The SPP Underwriting Agreement is subject to customary termination events, which are common in such agreements.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 prohibits the Company from issuing or agreeing to issue more than 15% of its issued equity securities in any 12 month period without the approval of shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies.

Resolution 4 is proposed to obtain Shareholder approval of the issue, if required, of any Shares by the Company to Baillieu Holst or its nominees (excluding any related parties of the Company) up to a maximum of 45,714,285 Shares at an issue price of \$0.035 per Share.

Information required by ASX Listing Rule 7.3

The following information is provided in compliance with ASX Listing Rule 7.3:

- a) ASX Listing Rule 7.3.1: The maximum number of securities the entity is to issue

45,714,285 Shortfall Shares.

- b) ASX Listing Rule 7.3.2: The date by which securities will be issued

If shareholder approval is obtained, the issue of the Shortfall Shares will occur within three months of the date of the General Meeting. It is intended that the Shares will be allotted and issued on 30 October 2014.

- c) ASX Listing Rule 7.3.3: Issue price of securities

Shortfall Shares will be issued at an issue price of \$0.035 per Share.

- d) ASX Listing Rule 7.3.4: Name of allottees or basis on which allottees are determined

The Shortfall Shares will be allotted and issued pursuant to the terms and conditions of the SPP Underwriting Agreement to Baillieu Holst or its nominees.

- e) ASX Listing Rule 7.3.5: Terms of securities

The Shortfall Shares will rank equally in all respects with all other Shares on issue.

- f) ASX Listing Rule 7.3.6: Intended use of the funds raised

Funds raised will be used to fund working capital and the further development and commercialisation of the Company's BreatheAssist product suite.

- g) ASX Listing Rule 7.3.7: Dates of allotment

If shareholder approval is obtained, it is intended that the Shortfall Shares will be allotted and issued on 30 October 2014.

- h) ASX Listing Rule 7.3.8: Voting exclusion statement

A voting exclusion statement is included in the Notice.

Director's recommendation

All of the Directors recommend that shareholders vote in favour of Resolution 4.

Resolution 5 – Approve Employee Share Option Plan

Resolution 5 seeks Shareholder approval to establish and maintain the Company's Employee Share Option Plan ("the Plan") to provide ongoing incentives to employees and consultants of the Company. If this Resolution is passed, the Plan will enable the Company to issue options to subscribe for shares in the Company (and to issue Shares upon exercise of such Options) from time to time to employees and consultants as part of a performance based incentive program. The Options will be granted and issued under the Plan at the discretion of the Board. Directors are not eligible to participate in the Plan.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a listed Company must not, subject to certain exceptions, issue or agree to issue more than 15% of its capital within a 12-month period without the approval of shareholders.

ASX Listing Rule 7.2

An exception to Listing Rule 7.1 is Listing Rule 7.2 – Exception 9, which provides that Listing Rule 7.1 does not apply to an issue under an employee incentive scheme if, within three years of the date of issue, shareholders have approved the issue as an exception to Listing Rule 7.1.

Resolution 5 seeks Shareholder approval to establish and maintain the Plan and to enable the Company to grant Options in accordance with the Rules of the Plan and as an exception to ASX Listing Rule 7.1 (in accordance with ASX Listing Rule 7.2 – Exception 9).

An Employee Share Option Plan was approved at the Company's 2011 AGM. In previous 3 years the Company has issued 6,500,000 Options to employees and consultants under the existing Employee Share Option Plan. 6,000,000 Options issued under the current Employee Share Option Plan have an exercise price of \$0.225, an expiry date of 31 December 2014 and have not been exercised. 500,000 Options to employees and consultants under the existing Employee Share Option Plan have an exercise price of \$0.06 and an expiry date of 30 April 2017.

The Rules of the Plan are set out in Appendix A.

Director's recommendation

All of the Directors recommend that shareholders vote in favour of Resolution 5.

Resolution 6 – Approval of additional capacity to issue shares under ASX Listing Rule 7.1A

ASX Listing Rule 7.1A

In 2012, the ASX introduced ASX Listing Rule 7.1A which enables certain 'eligible entities' to issue equity securities of up to 10% of their issued share capital through placements over a 12 month period commencing after the annual general meeting (Additional Placement Capacity). ASX Listing Rules require that Shareholders approve the Additional Placement Capacity by special resolution, at an

annual general meeting before any equity securities are issued under the Additional Placement Capacity.

For the purposes of ASX Listing Rule 7.1A an 'eligible entity' is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an 'eligible entity'. The Additional Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. Therefore, if the Additional Placement Capacity is approved, the Directors will be allowed to issue equity securities of up to 25% (Up to 10% pursuant to ASX Listing Rule 7.1A and up to 15% pursuant to ASX Listing Rule 7.1) of the Company's issued share capital. If the Additional Placement Capacity is not approved, the Directors will still be allowed to issue equity securities of up to 15% of the Company's issued capital pursuant to ASX Listing Rule 7.1.

The Company seeks Shareholder approval by way of a special resolution to have the ability to issue equity securities under the Additional Placement Capacity should the need arise.

Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- a) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- b) plus the number of partly paid shares that became fully paid in the 12 months;
- c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- d) less the number of fully paid shares cancelled in the 12 months.
- e) Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

ASX Listing Rule 7.3A

In accordance with ASX Listing Rule 7.3A the Company provides the following information.

Any securities issued under the Additional Placement Capacity will be in the same class as existing quoted securities of the Company.

The issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in Table 1). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- 29 October 2015; and
- the date of approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or the date of approval by ordinary shareholders of a disposal of a major asset under ASX Listing Rule 11.2.

Any approval of the Additional Placement Capacity at this Meeting will cease to be valid in the event that ordinary shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

The Company may issue equity securities under the Additional Placement Capacity for the following purposes:

- non-cash consideration: for the acquisition of new biotechnology assets and investments (in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rules); or
- cash consideration: to raise funds for working capital purposes, to fund the continued development and commercialisation of the Company's product range and/or to fund the acquisition of new biotechnology assets.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue.

The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial position of the Company; and

- advice from the Company's advisors.

The allottees under the Additional Placement Capacity have not yet been determined but allottees may include existing shareholders, existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Table 1 shows the dilution of Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2).

Table 1 also shows:

- I. two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- II. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Table 1

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.019 50% decrease in Issue Price	\$0.038 Current Issue Price	\$0.076 100% increase in Issue Price
Variable A - 493,724,305 Shares	10% Voting Dilution	49,372,430 Shares	49,372,430 Shares	49,372,430 Shares
	Funds Raised	\$938,076	\$1,876,152	\$3,752,304
50% increase in Variable A - 740,586,458 Shares	10% Voting Dilution	74,058,645 Shares	74,058,645 Shares	74,058,645 Shares
	Funds Raised	\$1,047,114	\$2,814,229	\$5,628,457
100% increase in Variable A - 987,448,610 Shares	10% Voting Dilution	98,744,861 Shares	98,744,861 Shares	98,744,861 Shares
	Funds Raised	\$1,876,152	\$3,752,304	\$7,504,609

Table 1 has been prepared based on the following assumptions:

- Variable A is based on the number of Shares on issue as at 11 September 2014.

- The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the Additional Placement Capacity and not under ASX Listing Rule 7.1.
- The issue of equity securities under the additional placement capacity includes only Shares.
- The Current Issue Price of \$0.038 was most recent price of Shares as traded on ASX as the time of preparing this Notice (11 September 2014). This price may fluctuate between the time of preparing this Notice and the date of the Meeting and the date that any Shares are issued by the Company pursuant to ASX Listing Rule 7.1A.

The Company previously obtained approval for the Additional Placement Capacity at its 2012 and 2013 Annual General Meeting.

A voting inclusion statement is included in this Notice. In accordance with ASX Listing Rule 14.11.1 and the relevant Note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

Director's recommendation

All of the Directors recommend that shareholders vote in favour of Resolution 6.

In the 12 months prior to the Meeting, the Company has issued 220,221,844 equity securities representing 39.74% of equity securities on issue 12 months prior to the Meeting. The information in the below table is provided in accordance with ASX Listing Rule 7.3A.6 (b).

Date of Issue	Number of equity securities	Class of equity security	Issue Price	Closing Price*	Discount / Premium#	Issued to / basis of issue	Cash / Non-Cash	Funds Raised	Use of funds or if non-cash then value
18/11/13	6,250,000	Listed Options Exercise Price: \$0.06 Expiry: 30/4/17 (RNOOA)	Nil	\$0.036	100% Discount	Free attaching options to shares previously issued to Sophisticated / Professional Investors	Non-Cash	Nil	Current non-cash value of \$81,250 based on RNOOA closing market price on 1 September 2014.
18/11/13	5,000,000	Listed Options Exercise Price: \$0.06 Expiry: 30/4/17 (RNOOA)	\$0.036	\$0.036	Nil	Fees Payable (Brazilliant Pty Ltd)	Non-Cash	Nil	Current non-cash value of \$65,000 based on RNOOA closing market price on 1 September 2014.
18/11/13	4,000,000	Listed Options Exercise Price: \$0.06 Expiry: 30/4/17 (RNOOA)	\$0.036	\$0.036	Nil	Fees Payable (Peloton Capital)	Non-Cash	Nil	Current non-cash value of \$52,000 based on RNOOA closing market price on 1 September 2014.
18/11/13	1,269,842	Ordinary Shares (RNO)	\$0.063	\$0.066	5% Discount	Fees Payable (Golden Five Limited)	Non-Cash	Nil	Current non-cash value of \$48,254 based on RNO closing share price on 1 September 2014.
26/02/14	60,000,000	Ordinary Shares (RNO)	\$0.042	\$0.045	7% Discount	Sophisticated / Professional Investors	Cash	\$2,520,000	To date, of the funds raised, approximately \$1,800,000 of after cost proceeds have been spent on working capital, product development and commercialization costs (including the Company's Sumatriptan drug delivery program). The remaining proceeds will be used for working capital and product development and commercialization.
11/04/14	2,857,142	Ordinary Shares (RNO)	\$0.042	\$0.028	50% Premium	Fees Payable (CFO Solution)	Non-Cash	Nil	Current non-cash value of \$108,571 based on RNO closing share price on 1 September 2014.
11/04/14	40,000,000	Unlisted Options Exercise Price: \$0.065 Expiry: 30/4/17	Nil	N/A	N/A	Issued to Directors as remuneration	Non-Cash	Nil	The Options were valued at \$811,160 in the Company's 2014 Annual Financial Report
11/04/14	2,000,000	Listed Options Exercise Price: \$0.06 Expiry: 30/4/17 (RNOOA)	\$0.013	\$0.013	Nil	Fees Payable (Peloton Capital)	Non-Cash	Nil	Current non-cash value of \$26,000 based on RNOOA closing market price on 1 September 2014.
11/04/14	500,000	Listed Options Exercise Price: \$0.06 Expiry: 30/4/17 (RNOOA)	\$0.013	\$0.013	Nil	Fees Payable (Martin Cross)	Non-Cash	Nil	Current non-cash value of \$6,500 based on RNOOA closing market price on 1 September 2014.
05 & 08/09/14	98,344,860	Ordinary Shares (RNO)	\$0.035	\$0.037	5.7% Discount	Sophisticated / Professional Investors	Cash	\$3,442,070	No funds used to date. After cost proceeds will be used for working capital and product development and commercialization.

* Closing Price: Closing price of security as traded on ASX on date of issue.

Discount / Premium: Discount / premium of Issue Price to Closing Price.

GLOSSARY

In the Notice of Meeting and Explanatory Statement the following terms have the following meanings:

AEDT means Australian Eastern Daylight Savings Time.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the listing rules of ASX.

Board means the board of directors of the Company.

Company or Rhinomed means Rhinomed Limited (ACN 107 903 159).

Constitution means the Company's constitution.

Corporations Act means Corporations Act 2001 (Cth).

Director means a current director of the Company.

Explanatory Statement means the explanatory statement to this Notice of Meeting.

Meeting means the 2014 Annual General Meeting of the Shareholders of the Company to be held on 29 October 2014, to which the Notice of Meeting and Explanatory Statement relate.

Notice of Meeting means this notice of meeting of the Company dated 11 September 2014.

Option means and Option to acquire a Share

Resolution means a resolution referred to in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shortfall Shares means the Shares that may be issued to Baillieu Holst or its nominees under the SPP Underwriting Agreement.

Shareholder means a holder of Shares.

SPP means the Rhinomed Limited Share Purchase Plan.

Underwriting Agreement means the agreement between the Company and Baillieu Holst Ltd underwriting the SPP to \$1.6 million subject to Shareholder approval.

Words importing the singular include the plural and vice versa.

All references to currency are in Australian dollars.

APPENDIX A

RHINOMED LIMITED

ACN: 107 903 159

EMPLOYEE SHARE OPTION PLAN

PLAN RULES

1. Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise:

Application Form means a form for the application for an Option in respect of an Offer made to an Eligible Employee, or other person who is declared by the Board to be eligible to participate in the Plan;

ASIC means the Australian Securities and Investments Commission;

ASX means the Australian Securities Exchange Limited;

Board means the board of directors of the Company or a committee of the Board appointed to administer the Plan;

Class Order means Class Order 03/184 issued by ASIC as amended or replaced;

Closing Date means the closing date for acceptance of an Offer;

Company or Rhinomed means Rhinomed Limited ACN 107 903 159;

Corporations Act means the *Corporations Act 2001* (Cth);

Director means a director of the Company

Eligible Employee means an employee or executive (including a director employed in an executive capacity) of an Employer Company who is declared by the Board to be an Eligible Employee for the purposes of the Plan;

Employer Company means the Company, a Subsidiary or any other company approved by the Board in which the Company holds not less than 20 per cent of the voting shares;

Exchange means any stock exchange on which the shares of the Company become listed;

Exercise Condition means, in respect of any Option, one or more conditions that must be met before the Option may be exercised, as determined by the Board in its absolute discretion;

Exercise Period means, in respect of any Option, the period designated by the Board and notified in writing to the Participant as being the period during which the Participant may exercise the Option or any part of it in accordance with rule 9;

Exercise Price means, in respect of any Offer, the price per Share calculated in accordance with rule 6, subject to any adjustment in accordance with rule 11;

Expiry Date means the final date to exercise an Option;

Grant Date, in relation to an Option, means the date on which the Option is granted in accordance with rule 8.1;

Listing Rules means the rules of the Exchange and, if the Exchange is ASX, means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX;

Market Price, in relation to a Share, on a particular day means:

- a) If there was at least one transaction on the Exchange during the 5 business days before that day, the weighted average of the prices at which a Share was traded on the Exchange during the 5 business days before that day, or;
- b) If there were no transactions on the Exchange in that 5 business days in Shares, the last price at which an offer was made on the Exchange in that period to buy a Share;

Offer means an invitation to an Eligible Employee, or other person declared by the Board to be eligible to apply for an Option under the Plan;

Option means right to acquire a Share;

Participant means an Eligible Employee, or other person declared by the Board to be eligible, who has been granted an Option under the Plan;

Plan means the Company's Employee Share Option Plan constituted by these rules as amended from time to time;

Share means a fully paid ordinary share in the capital of the Company;

Subsidiary has the meaning given to that term in section 9 of the Corporations Law;

Takeover Bid has the same meaning as in section 9 of the Corporations Law;

Total Exercise Amount means, in relation to each Option, the Exercise Price multiplied by the number of Shares for which the Option is being exercised; and

Trigger Event means:

- a) the despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act;
- b) the announcement of a takeover bid or receipt by the Company of a bidder's

statement in respect of the Company; or

the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Option, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

1.2 Interpretation

- a) The singular includes the plural and conversely.
- b) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it.
- c) A reference to a rule is a rule of these Rules.

1.3 Governing Law

This Plan and any Options issued under it are governed by the laws of Victoria.

2 Total number of Shares

The Company must take reasonable steps to ensure that:

- a) The total numbers of Shares which are the subject of unexercised Options granted under this Plan, when aggregated with the Shares which have been issued on exercise of the Options granted under this Plan, during the three years preceding the date on which an Option is issued, do not exceed ten per cent (10%) percent of the total number of issued Shares in the capital of the Company at the date of issue of any Option; and
- b) The number of Shares which are the subject of unexercised Options granted under this Plan when aggregated with the number of Shares which are the subject of unexercised Options granted under this Plan in the preceding 5 years (or any other employee share plan extended only to Eligible Employees) and the number of Shares that would be issued if each unexercised option granted under this Plan or under any other employee incentive scheme of the Company were to be exercised or accepted, does not exceed 5% of the total number of Shares on issue at the time of an Offer (but disregarding any offer of Shares or options to acquire Shares that can be disregarded pursuant to the Class Order).

3 Eligibility

The Board may in its absolute discretion:

- a) Declare that an employee or executive of an Employer Company is an Eligible Employee; and
- b) Declare that any other person is eligible to participate in the Plan provided such participation will not require compliance with Chapters 6D.2, 6D.3 and 7.9 of the Corporations Act.

4 Shares comprised in each Option

- a) Subject to rule 2 and paragraph (b), the Board must decide, in its absolute discretion, the number of Shares the subject of an Option to be offered to an Eligible Employee, or other person declared by the Board to be eligible, in accordance with the Plan.
- b) In making a decision under paragraph (a), the Board may take into account the actual and potential contribution of the Eligible Employee, or other person declared by the Board to be eligible, to the growth of an Employer Company.

5 Offer

5.1 Offer to participate

The Board may, from time to time, at its absolute discretion, make an Offer (in such form as the Board decides from time to time) to:

- a) Eligible Employees; and/or;

Other persons who the Board has declared to be eligible, inviting applications for the number of Options specified in the Offer.

5.2 Information about Options

In respect of each Offer, the Board must advise each person to whom the Offer is made under rule 5.1 of the following information relevant to an Option that may be granted under the Plan, namely:

- a) The Exercise Price;
- b) The designated Exercise Period;
- c) The number of Shares for which the Participant will be entitled to subscribe upon the exercise of the Option;
- d) The Closing Date;
- e) The Expiry Date; and
- f) Any designated Exercise Condition.

6 Exercise Price

The Exercise Price of Options issued pursuant to the Plan will be, at the discretion of the Board equal to or greater than the Market Price on the Grant Date.

7 Market Price

During the Exercise Period, the Board will, make available to the Eligible Employee, the Market Price of Shares in the same class as those offered subject to the Options, within a reasonable time of the Eligible Employee making such a request.

8 Application for Options

8.1 Requirements for Application

Each application for an Option must:

- a) Be made on an Application Form;
- b) Conform with any instructions contained in the Application Form or in the Offer; and
- c) Be received by the Board at the specified place prior to the Closing Date.

8.2 Formal Application

Each Application Form when properly completed and signed by the Participant in accordance with rule 7.1 constitutes an application for the grant of an Option to subscribe for the Shares at the Exercise Price.

8.3 Payment for Grant of Option

Unless the Board otherwise determines, no payment is required at the time an Option is granted.

9 Grant of Options

9.1 Date of Grant

Upon acceptance of a duly signed and completed Application Form, together with any monies payable in respect of the Options applied for, the Company may grant Options to the Eligible Employee, or other person declared by the Board to be eligible, as specified in the Offer, with effect from the date the Board

determines, on the terms of the Plan and terms of the Offer.

9.2 Certificate

On the grant of the Option, the Company must issue to the Participant a certificate evidencing the Option and the number of Shares for which the Participant is entitled to subscribe.

9.3 Personal

An Option granted under the Plan is personal to the Participant and may not be assigned to or exercised by any other person or body corporate.

10 Exercise of Options

10.1 Right to Exercise

Subject to rule 9.3, a Participant may exercise the Option, or any part of it, in the applicable Exercise Period, provided any exercise is for a minimum of a marketable parcel (as defined in the Listing Rules) of Shares or such other number or multiple of a number as the Board may determine.

10.2 Exercise Periods

Options may only be exercised during the applicable Exercise Period. The Exercise Period of Options will be determined by the Board at its absolute discretion.

10.3 Restrictions on Exercise

Except where an Option becomes exercisable by virtue of the provisions of rule no 12, an Option may not be exercised unless at that time any Exercise Conditions imposed by the Board have been satisfied. Exercise Conditions of Options will be determined by the Board at its absolute discretion.

10.4 Lapse

Any Option not exercised on or before the Expiry Date automatically lapses.

10.5 Notice of Exercise

- a) In order to exercise an Option, the Participant (or his or her personal representative in the case of a deceased Participant) must deliver to the Company a completed and signed notice of exercise in a form prescribed by the Board and made available to the Participants, together with the Total Exercise Amount. All payments made pursuant to this rule shall be made by cheque, bank draft or postal order made out in favour of the Company.

- b) If a Participant exercises only part of the Option, the Company must issue to the Participant a new certificate evidencing the remaining number of Shares for which the Participant is entitled to subscribe.

10.6 Allotment of Shares

Subject to rule 9.6, upon receipt of the Total Exercise Amount the Company must promptly allot to the Participant the Shares for which the Participant is entitled to subscribe.

10.7 Quotation of Shares

After Shares have been allocated pursuant to rule 9.6, if the Company's Shares are listed on the Exchange at the date of allotment, the Company will apply for listing of the Shares on the Exchange within the timeframe required by the Listing Rules.

11 New Issues

There is no inherent right in the Option to participate in any new issues of Shares which may be offered to shareholders from time to time prior to the exercise of the Option.

12 Rights of Participant upon exercise of Option

12.1 Ranking of Shares

The Shares to be allotted upon the exercise of an Option will upon allotment rank equally in all respects with the then existing ordinary issued Shares in the capital of the Company and will be subject to the provisions of the Constitution of the Company.

12.2 Adjustment for Rights issue

As required by the Exchange if:

- a) Shares are offered pro rata for subscription by the Company's shareholders generally by way of a rights issue; and
- b) The price at which each Share is so offered is less than the Market Price on the day of public announcement of the rights issue.

The Exercise Price applicable to each Share shall be reduced in accordance with the Listing Rules.

12.3 Adjustment for Bonus Issue

In the event of a Bonus Issue of Shares being made pro-rata to ordinary shareholders (other than issue in lieu of dividends), the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option had been exercised before the record date for the Bonus Issue. No adjustment will be made to the exercise price per share of the Option.

12.4 Subdivision or consolidation

If, prior to the expiry or lapse of any Options there is a pro rata issue (except a bonus issue) to the holders of Shares in the Company, the Exercise Price of the options may be reduced in accordance with the ASX Listing Rules.

12.5 Return of capital

If the Company make a return of capital to its shareholders generally, the Exercise Price applicable to each Share comprised in the Option will be reduced by the amount of the capital returned in respect of each Share.

12.6 Other reconstruction

If there occurs any other reconstruction of the capital of the Company affecting issued Shares, the Shares comprised in the Option and the Exercise Price applicable to each such Share will be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred to the Participant which are not conferred on holders of issued Shares, and (subject to the provisions of that reconstruction with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital) in all other respects the terms of the Options shall remain unchanged.

12.7 No additional Rights

The Plan shall afford a Participant no additional rights to compensation or damages as a consequence of the termination of his or her employment or appointment for any reason whatsoever.

13 Trigger Event

Notwithstanding the Terms and Conditions, upon the occurrence of a Trigger Event, the Directors may determine:

- a) that the Options may be exercised at any time from the date of such determination, and in any number until the date determined by the Board acting bona fide so as to permit the holder to participate in any change of control arising from a Trigger Event, provided that the Board will forthwith

advise in writing each holder of such determination. Thereafter, the Options shall lapse to the extent they have not been exercised; or

- b) to use their reasonable endeavours to procure that an offer is made to holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Trigger Event in which case the Board shall determine an appropriate period during which the holder may elect to accept the offer and, if the holder has not so elected at the end of that period, the Options shall immediately become exercisable and if not exercised within 10 days, shall lapse.

14 Duration of the Plan

- a) The Plan will continue in operation at the Board's discretion.
- b) If for any reason the Plan terminates or is discontinued, such termination or discontinuance will not prejudice the rights of the Participants to whom Options have been granted.

15 Amendment of the Plan

The Board may at any time and from time to time by resolution, revoke, add to or vary any of the rules of the Plan or all or any of the rights or obligations of the Participants or any of them provided the interests of the Participants are not, in the opinion of the Board, materially prejudiced by such addition or variation.

16 Administration

The Plan will be administered by the Board or a committee appointed by the Board in its absolute discretion with such powers and duties as are conferred upon it.

17 Notices and Correspondence

17.1 Notice to Company

Any notice required to be given by a Participant under the Plan or any correspondence to be made between a Participant and the Company or the Board may be given or made to the principal office of the Company or such other address as may be notified in writing.

17.2 Notice to the Participant

Any notice required to be given by the Company or the Board to the Participant or any correspondence to be made between the Company or the Board and a Participant may be given or made by the Board on behalf of the Company.

18 Disputes

Any disputes or differences of any nature arising under the Plan must be referred to the Board and its decision will be final and binding in all respects.

19 Advice

Participants should obtain their own independent advice at their own expense on the financial, taxation and other consequences to them of or relating to participation in the plan.

20 Taxation

Neither the Company nor its Directors are liable for taxes assessed against or imposed upon a Participant arising from participation in the Plan and neither the Company nor its Directors represents or warrants that any person will gain any financial or taxation advantage by participating in the Plan.

21 Listing Rules and Constitution

The terms and conditions as set out in these Rules are subject to the Listing Rules of the Exchange and the Company's Constitution.

Proxy Form

Rhinomed Limited
 ACN 107 903 159
 PO Box 8694
 Armadale VIC 3143
 Australia

STEP 1 - Appointment of Proxy

I/We

being a shareholder/s of **Rhinomed Limited** and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered security holder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **2014 Annual General Meeting of Rhinomed Limited to be held in the Keith Miller Room in the Great Southern Stand (Level 2) at the Melbourne Cricket Ground at 10.00 am AEDT on Wednesday 29 October 2014** and at any adjournment of that Meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default, by signing and returning this form, you expressly authorise the Chairman of the Meeting to exercise your proxy in relation to Resolution 1, even though Resolution 1 is connected with the remuneration of the Company's key management personnel. Where permitted, the Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 1 to 6. **If you do not wish to appoint the Chairman of the Meeting to vote on Resolutions 1 to 6 in this manner, it will be necessary for you to complete the vote directions in Step 2.**

STEP 2 - Voting directions to your Proxy – please mark to indicate your directions

Ordinary Business	For	Against	Abstain
Resolution 1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2. Re-election of Martin Rogers as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3. Approve the previous issue of 58,806,916 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4. Approval of issue of Shares pursuant to underwriting of SPP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5. Approve Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6. Approve additional capacity to issue shares - ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 - PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name Contact Daytime Telephone Date / / 2014

Proxy Form

Rhinomed Limited
ACN 107 903 159
PO Box 8694
Armadale VIC 3143
Australia

YOUR VOTE IS IMPORTANT
FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 10.00AM AEDT ON MONDAY, 27 OCTOBER 2014

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. Do not write the name of the issuer company or the registered member in the space.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the Meeting must provide evidence of his or her appointment by providing an "Appointment of Corporate Representative" form prior to admission. An Appointment of Corporate Representative form can be obtained from the Company.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote. To direct your proxy how to vote, place a mark in one of the boxes opposite each Resolution. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution, your vote on that Resolution will be invalid.

If you intend to appoint a KMP (including the Chairman) as your proxy, you are encouraged to direct them how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" for each of those items of business in Step 2 of the Proxy Form. If you appoint the Chairman of the Meeting as your proxy, you expressly authorise him to cast your votes on Resolution 1 even though Resolution 1 is connected with the remuneration of the KMP of the Company.

STEP 3 Sign the Form

The form **must** be signed as follows:

Individual: this form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the Company. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a director jointly with either another director or a company secretary. Where the company has a sole director who is also the sole company secretary, this form must be signed by that person.

Please indicate the office held by signing in the appropriate place.

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 10:00 am on Monday, 27 October 2014. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxies may be lodged:

BY MAIL - Rhinomed Limited
PO Box 8694
Armadale VIC 3143 Australia

BY FAX - + 61 (0) 3 9822 7735

IN PERSON - Rhinomed Limited
Suite 1, 1233 High Street
Armadale VIC 3143 Australia

Attending the Meeting

If you wish to attend the Meeting please bring this form with you to assist registration.