

ASX ANNOUNCEMENT

2 November 2018

CLEANSING NOTICE

This notice is given by Dotz Nano Ltd (ASX: DTZ) (“**Issuer**”) under section 708A(5)(e) of the *Corporations Act 2001* (“**Act**”).

The Issuer has today issued 2,317,723 fully paid ordinary shares (“**Issued Shares**”) in lieu of cash for prior services provided to the Company by third parties unrelated to the Company. These Issued Shares are included in the Appendix 3B announcement annexed below.

Pursuant to section 708A(5)(e) of the Act, the Issuer gives notice that:

- a) the Issued Shares were issued without disclosure to investors under Part 6D.2 of the Act;
- b) as at the date of this notice, the Issuer has complied with:
 - I. the provisions of Chapter 2M of the Act, as they apply to the Issuer; and
 - II. section 674 of the Act; and
- c) as at the date of this notice, there is no information that is ‘excluded information’ within the meanings of section 708A(7) and 708A(8) of the Act.
 - a. that has been excluded from 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 New Shares.

For further enquiries, please contact:

Company Secretary

Mr. Ian Pamensky

Tel: +61 414 864 746

E: ian@cfo2grow.com.au

About Dotz Nano

Dotz Nano Limited (ASX: DTZ) is a technology leader in research, production and marketing of anti-counterfeiting, authentication and tracing solutions. Dotz has strong, established distributors in North America, Europe, Japan, China and Australia as well as scientific collaborations and partnerships with leading academic institutes.

Its unique products, ValiDotz™, Fluorensic™, and InSpec™ are exceptional solutions for numerous applications, such as: Anti-counterfeiting, Brand & Reputation Protection, Oil & Gas Industry, Liquids Tagging, Lubricants and DEF authentication, Polymers Tagging and Bio-Imaging.

To learn more about Dotz Nano please view the website and our corporate video via the following link:

www.dotz.tech

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, 04/03/13

Name of entity

Dotz Nano Limited

ABN

71 125 264 575

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 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 2,317,723 |
| 3 | Principal terms of the +securities (e.g. 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) | Fully Paid Ordinary Shares |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> 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 	<p>Yes - the fully paid ordinary shares will rank equally with existing quoted fully paid ordinary shares</p>
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issue of fully paid ordinary shares in lieu of cash for prior services provided to the Company by third parties unrelated to the Company.
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	31 May 2018
6c	Number of +securities issued without security holder approval under rule 7.1	2,317,723 Ordinary Shares
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

+ See chapter 19 for defined terms.

6f	Number of +securities issued under an exception in rule 7.2	Nil											
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	7.1	59,154										
		7.1A	0										
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	2 November 2018											
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>119,764,750</td><td>Fully paid ordinary shares</td></tr></table>	Number	+Class	119,764,750	Fully paid ordinary shares							
Number	+Class												
119,764,750	Fully paid ordinary shares												
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>60,949,872</td><td>Fully paid ordinary shares escrowed 24 months from quotation</td></tr><tr><td>39,911,934</td><td>Performance shares escrowed 24 months from quotation</td></tr><tr><td>4,088,066</td><td>Performance shares</td></tr><tr><td>4,500,000</td><td>Options expiring 31/10/19, exercise price \$0.40 each, escrowed until 15/11/18</td></tr></table>	Number	+Class	60,949,872	Fully paid ordinary shares escrowed 24 months from quotation	39,911,934	Performance shares escrowed 24 months from quotation	4,088,066	Performance shares	4,500,000	Options expiring 31/10/19, exercise price \$0.40 each, escrowed until 15/11/18	
Number	+Class												
60,949,872	Fully paid ordinary shares escrowed 24 months from quotation												
39,911,934	Performance shares escrowed 24 months from quotation												
4,088,066	Performance shares												
4,500,000	Options expiring 31/10/19, exercise price \$0.40 each, escrowed until 15/11/18												

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

1,000,000	Options expiring 31/10/19, exercise price \$0.30 each, escrowed until 15/11/18
5,000,000	Options expiring 14/6/20, exercise price \$0.20 each, until 15/11/18
10,000,000	Options expiring 8/8/19, exercise price \$0.20
6,000,000	Options expiring 5/2/20, exercise price \$0.30
1,000,000	Options expiring 1/11/20, exercise price \$Nil
1,000,000	Options expiring 20/04/20, exercise price \$Nil
212,500	Options expiring 20/04/20, exercise price \$0.105.
212,500	Options expiring 20/04/20, exercise price \$0.105. Vesting after 1 February 2019
1,000,000	Options expiring 20/04/20, exercise price \$0.20.
1,500,000	Options expiring 1/08/20, exercise price \$0.20.

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

Part 2 - Pro rata issue

- 11 Is security holder approval required?
- 12 Is the issue renounceable or non-renounceable?
- 13 Ratio in which the ⁺securities will be offered
- 14 ⁺Class of ⁺securities to which the offer relates

+ See chapter 19 for defined terms.

15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- | | | |
|----|---|--|
| 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 | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | |
| 33 | +Issue date | |

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

+ See chapter 19 for defined terms.

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

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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	<p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none">• 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					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)</p>					
42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>⁺Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	⁺ Class		
Number	⁺ Class					

⁺ See chapter 19 for defined terms.

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 is not available now, we 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)

Date: 2 Nov 2018

Print name:

Ian Pamensky.....

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+ 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 Amended 04/03/13

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 the ⁺ issue date or date of agreement to issue	122,484,802
Add the following: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 	18,333,333 issued 5/12/2017 and approved at shareholder meeting held on 16/01/2018 3,277,778 issued 5/02/2018 and approved at shareholder meeting held on 16/01/2018 5,748,108 issued 10/05/2018 and approved at shareholder meeting held on 31/05/2018 775,000 issued 29/06/2018 and approved at shareholder meeting held on 31/05/2018
Subtract the number of fully paid ⁺ ordinary securities cancelled during that 12 month period	-
“A”	150,619,021

⁺ 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	22,592,853
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> <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> 	12,715,876 Shares issued 1/08/18 1,500,000 Options issued 1/08/18 4,000,000 Options agreed to be issued to Gleneagle (subject to 30 VWAP of \$0.30) 2,000,000 Options agreed to be issued to Gleneagle (subject to 30 VWAP of \$0.40) 100 Shares issued 15/08/18 2,317,723 Shares issued 02/11/18
“C”	22,533,699
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>	22,592,853
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	22,533,699
Total [“A” x 0.15] – “C”	59,154 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

⁺ 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>	150,619,021
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	15,061,902
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> <ul style="list-style-type: none"> • 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 	15,061,902 shares issued 1/08/18
“E”	15,061,902
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>	15,061,902
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	15,061,902
Total [“A” x 0.10] – “E”	- <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.