



13 March 2015

Dear Nanosonics Shareholder

**Offer of new Nanosonics shares under a Share Purchase Plan (Offer)**

Following the announcement on 5 March 2015 of the successful placement of 15.15 million shares with institutional and sophisticated investors (**Placement**) to raise A\$25.0 million, the Board of Directors of Nanosonics Limited (**Nanosonics**) is pleased to offer Eligible Members the opportunity to subscribe for new ordinary shares in Nanosonics under the terms and conditions of Nanosonics' Shareholder Share Purchase Plan (**SPP**) that accompany this Offer.

The Offer price under the SPP is A\$1.65 per share, the same price as the shares issued under the Placement. The Offer price represents a 6.9% discount to the 5-day VWAP as at the Record Date.

The funds raised via the Placement and the SPP will give Nanosonics a powerful balance sheet ensuring working capital strength and flexibility to support expected growth from new direct sales operations in North America as well as expansion globally.

**Share Purchase Plan overview**

Under the SPP Eligible Members can subscribe to receive up to A\$15,000 worth of new Nanosonics ordinary shares without paying any brokerage. The SPP will be capped at A\$3.0 million and if the Company receives valid applications exceeding A\$3.0 million under the SPP, Nanosonics intends to allocate shares on a 'first-come, first served' basis, with applications received in excess of A\$3.0 million returned to shareholders.

Participation in the SPP is optional and is open to all holders of Nanosonics shares with a registered address in Australia and New Zealand (Eligible Members) at the SPP Record Date. The Offer under the SPP is non-renounceable, which means that shareholders cannot transfer their right to purchase new Nanosonic shares under the SPP to another person or entity.

The Share Purchase Plan is not underwritten.

Instructions on how to accept this Offer are set out in the attached Share Purchase Plan Application Form.

The SPP Offer closes at 5:00pm EST on 30 March 2015, unless fully subscribed earlier. To participate, you need to ensure that your completed Share Purchase Plan Application Form, along with your application monies, is received by Nanosonics or that you have paid your application monies via BPay prior to the close of the SPP.

The Board has every confidence in the future of the Company, and was pleased with the strong interest in the Placement. However, owning shares in a medical device company such as Nanosonics is a speculative form of investment.

Shareholders should be aware there is a risk that the market price of the Company's shares may change between the date of this offer and the date when the new Shares are issued under the SPP. The value of the new Shares you receive may rise or fall in market value accordingly.

The Board encourages you to read carefully the enclosed SPP documents and to take advice before making your investment decision.

On behalf of the Board, I thank you for your continued support of Nanosonics and trust you will remain a shareholder for many years to come.

Yours sincerely  
**Nanosonics Limited**

A handwritten signature in black ink, appearing to read "M. Stang". The signature is written over a light gray rectangular background.

**Maurie Stang**  
Chairman



## TERMS AND CONDITIONS OF THE NANOSONICS LIMITED SHARE PURCHASE PLAN (SPP)

### 1. KEY DATES

Event	Date
SPP Record Date (5:00 pm AEST)	4 March 2015
Announcement of SPP	5 March 2015
SPP opening date	13 March 2015
SPP offer closes (unless fully subscribed earlier)	30 March 2015
Issue of shares under SPP	8 April 2015
Expected date for commencement of trading of SPP shares	9 April 2015
Dispatch of Holding Statements	9 April 2015

### 2. WHO CAN PARTICIPATE?

You are eligible to apply for Shares under the SPP if you:

- (a) are recorded in the Company's register of members at 5:00pm on the Record Date (4 March 2015); and
- (b) have an address (as recorded in the Company's register of members) in Australia or New Zealand

### 3. ISSUE PRICE -v- MARKET PRICE

- 3.1 The Offer price under the SPP is A\$1.65 per share, representing a 6.9% discount to the 5-day VWAP as at the Record Date.
- 3.2 The market price of the Shares on the ASX may rise and fall between the SPP opening date the closing date and the date when Nanosonics allots the Shares to you under the SPP. This means that the price you pay under the SPP offer may exceed the price at which Shares are trading on the ASX at the time the Shares are allotted to you under the SPP. Accordingly, you should seek your own financial advice in relation to this SPP offer and your participation in the SPP.

**4. HOW MUCH CAN I INVEST?**

As an Eligible Member, you may subscribe for shares up to a maximum value of A\$15,000. You may select only one (1) of the following alternatives to subscribe for shares under the Share Purchase Plan:

Offer	Dollar value of Shares	Number of Shares
A	A\$ 2,001.45	1,213
B	A\$ 5,001.15	3,031
C	A\$ 10,000.65	6,061
D	A\$ 15,000.00	9,091

**5. TERMS AND LIMITS OF ISSUE**

- 5.1 The Board reserves the right to refuse an application if it considers that the applicant is not an Eligible Member or has not otherwise complied with the terms of the Plan or for any other reason. If an application is refused, the application monies received will be refunded without interest.
- 5.2 Shares allotted under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company on the date of issue.
- 5.3 The Company will apply for quotation on the ASX of Shares issued under the Plan.
- 5.4 The SPP will be capped at A\$3.0 million and if the Company receives valid applications exceeding A\$3.0 million under the SPP, the Board intends to allocate shares on a 'first-come, first served' basis. In any scale-back, any unused funds will be refunded as soon as practicable following the Allotment Date. No interest will be paid on any refund. If the SPP is fully subscribed and closes early, the Company reserves the right to bring forward the other dates mentioned in the Key Dates in section 1.

**6. QUESTIONS AND ADVICE**


- 6.1 If you have any questions on how to make an application, you may phone Computershare (from within Australia) on 1300 850 505 or (from outside Australia) on + 61 3 9415 4000.
- 6.2 Nanosonics will not provide financial, investment or taxation advice. The Company recommends that shareholders contact their stockbroker, accountant or professional adviser before investing in Nanosonics' Shares under the SPP.

**7. GENERAL**

- 7.1 The Share Purchase Plan and these Terms may be suspended, terminated or amended at any time by the Board. The Board will announce any such changes to ASX.
- 7.2 Nanosonics may settle in any manner it thinks fit any disputes which may arise in connection with the SPP, whether generally or in relation to a particular application for shares. The decision of Nanosonics will be conclusive and binding on all Eligible Shareholders and any other persons to whom the decision relates. Nanosonics reserves the right to waive compliance with any provision of the SPP terms and conditions, subject to compliance with the Corporations Act, the ASX Listing Rules and ASIC Class Order CO09/425.
- 7.3 These Terms are governed by and construed in accordance with the laws for the time being in force in the State of New South Wales.

**8. DECLARATION AND ACKNOWLEDGMENT**

By forwarding an Application Form for Shares under the SPP and by making payment, each Eligible Shareholder:

- 
- (a) acknowledges that the shareholder has read, understands and agrees to be bound by these Terms;
  - (b) certifies that (except where Shares are held as trustee or nominee on account of a beneficiary which is expressly noted on Nanosonics' shareholder register) the aggregate of the application price for:
    - (i) the Shares applied for with the Application Form; and
    - (ii) any other Shares in the class applied for by or on behalf of the Shareholder under the SPP or any similar plan operated by Nanosonics in the 12 months prior to date of the Application Form, does not exceed AUD\$15,000;
  - (c) certifies that where Shares are held as trustee or nominee on account of a beneficiary which is expressly noted on Nanosonics' shareholder register (Beneficiary) the aggregate of the application price for:
    - (i) the Shares applied for with the Application Form; and
    - (ii) any other Shares in the class applied for by, or on behalf of, the Beneficiary under the SPP or any similar plan in the 12 months prior to the application, does not exceed AUD\$15,000.

**For all enquiries:**

**Phone:**



(within Australia) 1300 850 505  
(outside Australia) 61 3 9415 4000

**Web:**



[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

┌ 000001 000 NAN  
MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

**Make your payment:**



See overleaf for details of the Offer and how to make your payment

## Share Purchase Plan Application Form

 **Your payment must be received by 5:00pm (Sydney time) Monday 30 March 2015**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Nanosonics Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Nanosonics Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of the payment slip overleaf; and
  - any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment,
- does not exceed \$15,000.00.

Nanosonics Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Nanosonics Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Nanosonics Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Nanosonics Limited does not notify you of that event.

### Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the payment slip with BPAY payment.

**By Mail:** Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Nanosonics Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.


# Share Purchase Plan Application Form

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**STEP 1**

## Registration Name & Offer Details

 For your security keep your SRN/  
HIN confidential.

Registration Name: MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: **5:00pm (Sydney time) Wednesday 4 March 2015**

Minimum value available to purchase: **\$2,001.45**

Maximum value available to purchase: **\$15,000.00**

**STEP 2**

## Make Your Payment



Billers Code: 240283  
Ref No: 1234 5678 9123 4567 89

### Pay by Mail:



Make your cheque, bank draft or money order payable to "**Nanosonics Limited**" and cross "**Not Negotiable**".

Return your cheque with the below payment slip to:  
**Computershare Investor Services Pty Limited**  
**GPO BOX 505 Melbourne Victoria 3001 Australia**

Contact your financial institution to make your payment from your cheque or savings account.

### Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (Sydney time) Monday 30 March 2015. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Nanosonics Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (Sydney time) Monday 30 March 2015. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Nanosonics Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

### Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

### Purchase Details for Nanosonics Limited (choose one option)

1,213 Shares for \$2,001.45 OR  3,031 Shares for \$5,001.15 OR  6,061 Shares for \$10,000.65

9,091 Shares for \$15,000.00



Entitlement No: 12345678

Payment must be received by 5:00pm (Sydney time) Monday 30 March 2015

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

### Contact Details

Contact Name \_\_\_\_\_ Daytime Telephone \_\_\_\_\_

### Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$

123456789123456789+000000001-3051+14