

ASX ANNOUNCEMENT

27 September 2019

Rhinomed completes capital raising of A\$6 Million

Rhinomed Limited ("the Company") (ASX:RNO) is pleased to announce that it has today completed a capital raising of A\$6 million (before costs) through the issue of 27,272,735 fully paid ordinary shares ("**Placement Shares**") at an issue price of \$0.22 per share to sophisticated and professional investors who are not related parties without requiring a prospectus as previously announced by the Company on 23 September 2019.

The Placement Shares were issued within the Company's capacity under LR7.1 and LR7.1A.

Information required under LR3.10.5A

Under the 10% capacity (Listing Rule 7.1A ("**Capacity Shares**")), The company issued 5,982,743 fully paid ordinary shares.

As required under Listing Rule 3.10.5A, the Company provided the following information:

- a) the dilutive effect on existing shareholders of the Capacity Shares is as follows:

No. of shares on issue prior to private placement	141,933,281
Shares issued under LR7.1A (Capacity Shares)	5,982,743
Dilution as a result of issue under LR7.1A	4.2%
Shares issued under LR7.1	21,289,992
Total number of shares on issue subsequent to the capital raise	169,206,016

- b) the issue price of the shares issued under the placement was \$0.22, representing an 7.7% discount to the volume weighted average price for the 15 days on which trades of the Company's shares were recorded on ASX ending on 20 September 2019 (data obtained from IRESS), being the date immediately before the date on which the placement was announced on ASX.
- c) the placement was undertaken following identification of demand of shares by sophisticated and professional investors. The placement was considered the most efficient and effective method of meeting this identified demand.
- d) there was no underwriting agreement in relation to the issue of the Capacity Shares.
- e) A fee of up to 5% was paid to brokers assisting it in the issue of the Capacity Shares.

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Further details regarding the issue of the Capacity Shares are contained within the accompanying Appendix 3B.

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RHINOMED LIMITED

ABN 12 107 903 159

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Appendix 3B

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

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

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

Name of entity:

Rhinomed Limited (ASX: RNO)

ACN:

107 903 159

We (the entity) give ASX the following information.

Part 1 - All issues

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

1	+Class of +securities issued or to be issued	Ordinary Shares (RNO)
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	27,272,735
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Fully Paid Ordinary Shares (RNO)

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4	<p>Do the ⁺securities rank equally in all respects from the date of allotment 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>Ordinary shares rank equally with existing quoted ordinary shares.</p>
5	<p>Issue price or consideration</p>	<p>\$0.22 per share</p>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>As announced on 23 September 2019, to fund business growth and working capital.</p>
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>	<p>Yes</p>
6b	<p>The date the security holder resolution under rule 7.1A was passed</p>	<p>14 December 2018</p>
6c	<p>Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>21,289,992</p>
6d	<p>Number of ⁺securities issued with security holder approval under rule 7.1A</p>	<p>5,982,743</p>
6e	<p>Number of ⁺securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>Nil</p>

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.

15 Day VWAP: \$0.2369
 Source: IRESS
 75% of 15 Day VWAP: \$0.1777
 Issue Price: \$0.22
 Date of issue: 27 September 2019

6h If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements n/a

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements Refer to the attached Annexure 1

7 Dates of entering *securities into uncertificated holdings or despatch of certificates 27 September 2019

	Number	+Class
8 Number and *class of all *securities quoted on ASX (including the securities in section 2 if applicable)	169,206,016	Fully Paid Ordinary Shares (RNO)

	+Class (Options over Ordinary Shares)		
	Number Amount	Exercise Price	Expiration Date
9 Number and *class of all *securities not quoted on ASX (including the securities in section 2 if applicable)	9,000,000	\$0.287	21 December 2021
	6,000,000	\$0.27	30 April 2020
	150,000	\$0.40	30 December 2020
	15,150,000	Total	

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

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required? Not applicable

12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the *securities will be offered	Not applicable
14	*Class of *securities to which the offer relates	Not applicable
15	*Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has *security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	Not applicable
25	If the issue is contingent on *security holders' approval, the date of the meeting	Not applicable

26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Despatch date	Not applicable

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 (Shares only)
- (b) All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 - 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

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

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

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

41 Reason for request for quotation now (if issued upon conversion of another security, clearly identify that other security)

Example: In the case of restricted securities, end of restriction period

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<input type="text"/>	<input type="text"/>

Quotation Agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign Here:

Company Secretary
Phillip Hains

Print Name:

Date: 27 September 2019

Appendix 3B – Annexure 1

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

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	117,671,387
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">• <i>Include only ordinary securities here – other classes of equity securities cannot be added</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>	452,370 23,809,524
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	141,933,281

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

Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<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><i>Note:</i></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> 	21,289,992
"C"	21,289,992

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

Part 2

Rule 7.1A – Additional placement capacity for eligible entities

Step 1: Calculate “A”, the base figure from which the placement capacity is calculated

“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	141,933,281
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Step 2: Calculate 10% of “A”

“D”	0.10 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.10	14,193,328

Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used

Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <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 	5,982,743
“E”	5,982,743

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A

“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	14,193,328
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	5,982,743
Total [“A” x 0.10] – “E”	8,210,585 <i>[Note: this is the remaining placement capacity under rule 7.1A]</i>

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ASX ANNOUNCEMENT

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

27 September 2019

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

Type:	Shares
Class/Description:	Fully paid ordinary shares
ASX Code:	RNO
Date of Issue:	27 September 2019
Number Issued:	27,272,735
Issue Price:	\$0.22 per share

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

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

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

For and on behalf of the Company,



Phillip Hains
Company Secretary

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