



Thursday 19 May 2016

The Manager  
ASX Market Announcements  
ASX Limited  
Level 4 Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

Dear Sir/Madam;

**Respiri Limited (ASX:RSH) – Cleansing Notice**

This notice is given under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**ACI 2016/84**).

On 19 May, Respiri Limited (**Respiri**) announced a pro-rata renounceable entitlement offer under a rights issue of one fully paid ordinary share in Respiri (**New Shares**) for every two fully paid shares held in Respiri at an issue price of \$0.03 per New Share (**Rights Issue**). The Rights Issue is being offered to shareholders who must:

- (a) be registered as a shareholder at 7:00pm (Melbourne time) on Monday, 23 May 2016 (**Record Date**);
- (b) have an address in Australia or New Zealand as recorded in Respiri's share register as at the Record Date;
- (c) not be in the United States and must not be a U.S Person (as defined in Regulation S under the United States Securities Act of 1933, as amended) and not be acting for the account or benefit of a person located in the United States or a U.S. Person; and
- (d) be eligible under all applicable securities laws to receive an offer under the Rights Issue without any requirement for a prospectus, disclosure document, or any lodgement, filing, registration or qualification,

**(Eligible Shareholders).**

The Rights Issue offers Eligible Shareholders the right to take up 1 New Share for every 2 shares held as at the Record Date (**Entitlement**).

The Rights Issue comprises an offer to Eligible Shareholders to participate on the same terms. The Rights Issue is renounceable. Entitlements of ineligible shareholders may be sold by a nominee and any net proceeds remitted to the ineligible shareholders.

## Details of securities to be issued

Class of securities	Ordinary shares
ASX code	RSH
Date of issue or expected issue of the securities	22 June 2016
Maximum number of securities issued or expected to be issued	144,127,741
Offer Price	\$0.03 (3 cents)
Maximum amount to be raised	\$4,323,832.23

In accordance with section 708AA(7) of the Corporations Act, Respiri advises that:

- (a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act (as notionally modified by ACI 2016/84);
- (c) as at the date of this notice, Respiri has complied with:
  - (i) the provisions of Chapter 2M of the Corporations Act as they apply to Respiri; and
  - (ii) section 674 of the Corporations Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act (as notionally modified by ACI 2016/84); and
- (e) the potential effects that the issue of the New Shares will have on the control of Respiri, and the consequences of such effects are described below.

### Summary of the potential control effects of the Rights Issue on Respiri

The potential control effects that the Rights Issue may have on the shareholders of Respiri, and the consequences of that effect (**Potential Control Effects**), will depend on a number of factors, including:

- (a) the extent to which Eligible Shareholders participate in the Rights Issue; and
- (b) the identity of Eligible Shareholders that participate in the Rights Issue.

It is not presently possible for the Directors of Respiri to predict the final level of subscription under the Rights Issue, or the identity of Eligible Shareholders who will subscribe for their Entitlements.

The Potential Control Effects of the Rights Issue on Respiri can be summarised as follows:

- if all Eligible Shareholders take up their full Entitlements, there would be no significant effect on the control of Respiri, as the Rights Issue is made pro-rata and in that case no rights would lapse;
- if Eligible Shareholders do not take up their full Entitlements under the Rights Issue, then the interests of those Eligible Shareholders will be diluted; and
- the proportional interests of Shareholders who are not Eligible Shareholders will be diluted because they will not be entitled to participate in the Rights Issue.

Based on publicly available information as at the date of this notice, those persons which (together with their associates) have a relevant interest in 5% or more of the shares in Respi are set out below:

Shareholder	Shares	%
Investment Holdings Pty Ltd	48,000,000	16.7%

Investment Holdings Pty Ltd (**Investment Holdings**) has agreed to invest an aggregate amount of \$1 million in the Rights Issue. This means that Investment Holdings will take up its entitlements in full under the Rights Issue (\$720,000) with the balance of \$280,000 used to subscribe for shortfall shares. Any Application made by Investment Holdings for shortfall shares will only be considered after all other applications for shortfall shares made by other Shareholders who are not sub-underwriters have been satisfied.

If Investment Holdings, the Directors and all non-related sub-underwriters take up their Entitlements and shortfall shares in accordance with their respective sub-underwriting agreements with the underwriter, and no other Eligible Shareholders take up their Entitlement, Investment Holdings will have a relevant interest in approximately 18.8% of the issued Shares on completion of the Offer.

In the event that all Entitlements are taken up, there will be no change to the substantial holders on completion of the Rights Issue.

Detailed information regarding the Rights Issue and the Potential Control Effects are set out in the Offer Booklet lodged with ASX on 19 May 2016.

For and on behalf of the Company;



**Peter Vaughan**  
Company Secretary  
Respi Limited

**Ph: 1800 476 683**