

RESPIRI



Notice of Annual General Meeting and Explanatory Memorandum

Respiri Limited: **ACN 009 234 173**

Date of Meeting: 25 November 2019

Time of Meeting: 4:00pm (Melbourne time)
Registration from 3:45pm

Place of Meeting: Computershare
452 Johnston Street
Abbotsford VIC 3067

This is an important document. It should be read in its entirety.
If you are in doubt as to the course you should follow, consult your financial or other professional adviser.

RESPIRI LIMITED
ACN 009 234 173

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2019 Annual General Meeting of Shareholders of Respiri Limited (**Respiri** or the **Company**) will be held on 25 November 2019 at 4:00pm (AEDT) at Computershare, 452 Johnston Street, Abbotsford VIC 3067, Australia (**Meeting**).

Further details in respect of each of the resolutions proposed in this Notice of Meeting are set out in the Explanatory Memorandum accompanying this Notice of Meeting. The Explanatory Memorandum should be read together with, and forms part of, this Notice of Meeting.

Please read this Notice of Meeting carefully and consider directing your proxy on how to vote on each resolution by marking the appropriate box on the proxy form included with this Notice of Meeting. Shareholders who intend to appoint the Chairman as proxy (including appointment by default) should have regard to Proxy and Voting Instructions appended to this Notice of Meeting.

AGENDA

Ordinary Business

1. Financial statements and report

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019.

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 Respiri Limited 2019 Annual Report can be viewed online at the Company's website www.respiri.co on the "Investors" page under "Investors" tab.

2. Resolution 1: Remuneration Report

To consider and, if thought fit, to pass, the following as an ordinary 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 2019 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."

The Board recommends that Shareholders **vote in favour** of Resolution 1 and adopt the Remuneration Report.

Notes:

- (i) In accordance with section 250R of the *Corporations Act*, the vote on this resolution will be advisory only and will not bind the directors of the Company; and
- (ii) a voting exclusion statement applies to this resolution (see the Explanatory Memorandum for further details).

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions appended to this Notice of Meeting.

3. Resolution 2: Re-election of Mr Ross Blair-Holt

To consider and, if thought fit, to pass, the following as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 14.4, clause 13.4 of the Constitution and for all other purposes, Mr Ross Blair-Holt, being eligible, be re-elected as a Director of the Company."

Prof. Bruce Thompson supports the re-election of Mr Ross Blair-Holt and recommends that Shareholders **vote in favour** of Resolution 2.

Mr Mario Gattino does not support the re-election of Mr Ross Blair-Holt and recommends that Shareholders **vote against** Resolution 2.

Further details in respect of Resolution 2 are set out in the Explanatory Memorandum accompanying this Notice of Meeting.

4. Resolution 3: Re-election of Prof. Bruce Thompson

To consider and, if thought fit, to pass, the following as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 14.4, clause 13.4 of the Constitution and for all other purposes, Prof. Bruce Thompson, being eligible, be re-elected as a Director of the Company."

Mr Ross Blair-Holt supports the re-election of Prof. Bruce Thompson and recommends that Shareholders **vote in favour** of Resolution 3.

Mr Mario Gattino does not support the re-election of Prof. Bruce Thompson and recommends that Shareholders **vote against** Resolution 3.

Further details in respect of Resolution 3 are set out in the Explanatory Memorandum accompanying this Notice of Meeting.

5. Resolution 4: Re-election of Mr Mario Gattino

To consider and, if thought fit, to pass, the following as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 14.4, clause 13.2 of the Constitution and for all other purposes, Mr Mario Gattino, a Director of the Company retires by rotation and, being eligible, be re-elected as a Director of the Company."

Neither Mr Ross Blair-Holt or Prof. Bruce Thompson support the re-election of Mr Mario Gattino. In light of Mr Mario Gattino's departure as CEO from the Company as announced to ASX on 9 October 2019, Mr Ross Blair-Holt and Prof. Bruce Thompson do not believe that Mr Mario Gattino's re-election is in the best interests of Shareholders. Accordingly, Mr Ross Blair-Holt and Prof. Bruce Thompson recommend that Shareholders **vote against** Resolution 4.

Mr Mario Gattino has abstained from making a recommendation on Resolution 4 given this personal interest in the matter. However, Mr Gattino has provided a statement regarding his re-election as a Director for Shareholders to consider before deciding on how to vote on this item of business.

Further details in respect of Resolution 4 are set out in the Explanatory Memorandum accompanying this Notice of Meeting.

6. Resolution 5: Approval of the issue of shares to a Director (Mario Gattino)

To consider and, if thought fit, to pass, the following as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, Shareholders approve the issue of 625,000 Shares in the Company at an issue price of \$0.08 per Share to Mr Mario Gattino as set out in the Explanatory Memorandum which accompanies and forms part of the Notice of Meeting."

Further details in respect of Resolution 5 are set out in the Explanatory Memorandum accompanying this Notice of Meeting.

7. Resolution 6: Approval of the issue of shares to a Director (Mario Gattino)

To consider and, if thought fit, to pass, the following as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, Shareholders approve the issue of 500,000 Shares in the Company at an issue price of \$0.10 per Share to Mr Mario Gattino as set out in the Explanatory Memorandum which accompanies and forms part of the Notice of Meeting."

Further details in respect of Resolution 6 are set out in the Explanatory Memorandum accompanying this Notice of Meeting.

8. Resolution 7: Approval of the issue of shares to a Director (Ross Blair-Holt)

To consider and, if thought fit, to pass, the following as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.11 and all other purposes, Shareholders approve the issue of 500,000 Shares in the Company at an issue price of \$0.10 per Share to Mr Ross Blair-Holt as set out in the Explanatory Memorandum which accompanies and forms part of the Notice of Meeting."

Further details in respect of Resolution 7 are set out in the Explanatory Memorandum accompanying this Notice of Meeting.

SPECIAL BUSINESS

9. Resolution 8: Approval of 10% Placement Issue

To consider and, if thought fit, pass the following as a special resolution:

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum to this Notice of Meeting, be and is hereby approved."

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions appended to this Notice of Meeting.

Further details in respect of Resolution 8 are set out in the Explanatory Memorandum accompanying this Notice of Meeting.

OTHER BUSINESS

To consider any other business that may be brought before the Meeting in accordance with the Constitution of the Company and the Corporations Act.

BY THE ORDER OF THE BOARD



Mr Ross Blair-Holt

Chairman

Dated: 25 October 2019

*The accompanying Explanatory Memorandum, Proxy Form
and Voting Instructions form part of this Notice of Meeting.*

PROXY AND VOTING INSTRUCTIONS

Proxy Instructions

A Shareholder who is entitled to attend and vote at this Meeting may appoint:

- (a) one proxy if the Shareholder is only entitled to one vote; and
- (b) one or two proxies if the Shareholder is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

The proxy may, but need not, be a Shareholder of the Company.

Where a Shareholder appoints two proxies, on a show of hands, neither proxy may vote if more than one proxy attends and on a poll each proxy may only exercise votes in respect of those shares or voting rights the proxy represents.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged per the instructions on the appended proxy form.

The proxy form must be signed by the Shareholder (or in the case of a joint holding, by each joint holder) or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

If you sign the proxy form and do not appoint a proxy, you will have appointed the Chairman of the Meeting as your proxy.

The appointment of one or more duly appointed proxies will not preclude a Shareholder from attending this Meeting and voting personally. If the Shareholder votes on a resolution, the proxy must not vote as the Shareholder's proxy on that resolution.

A proxy form is attached to the Notice of Meeting.

How the Chairman will vote undirected proxies

The Chairman of the Meeting intends to vote all available and undirected proxies in favour of all resolutions.

Proxies that are undirected on Resolutions

If you appoint the Chairman of the Meeting as your proxy (or if he may be appointed by default), but you do not direct the Chairman how to vote in respect of the Resolutions, your election to appoint the Chairman as your proxy will be deemed to constitute an express authorisation by you directing the Chairman to vote in favour of all resolutions.

This express authorisation acknowledges that the Chairman may vote your proxy even if he or she has an interest in the outcome of any of the resolutions even if the resolutions are connected directly or indirectly with remuneration of a member of the KMP of the Company (or if the Company is part of a consolidated entity, for the entity) and accordingly your votes will be counted in calculating the required majority if a poll is called.

Corporate Representatives

Any corporation which is a Shareholder of the Company may appoint a proxy, as set out above, or authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chairperson of the Meeting) a natural person to act as its representative at any general meeting.

Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the constitution of the Company. Attorneys are requested to bring the original or a certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required for corporate representatives and attorneys.

Voting Entitlement

For the purposes of section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that Shareholders entered on the Company's Register of Members as at Saturday, 23 November 2019 at 4.30pm (AEDT) are entitled to attend and vote at the Meeting. Transactions registered after that time will be disregarded in determining the Shareholders entitled to attend and vote at the Meeting.

On a poll, Shareholders have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

In the case of joint holders of shares, if more than one holder votes at any Meeting, only the vote of the first named of the joint holders in the share register of the Company will be counted.

Note that you can lodge your vote online at www.investorvote.com.au using the secure access information printed on your proxy form or by using your mobile device to scan the personalised QR code (also shown on your proxy form).

RESPIRI LIMITED
ACN 009 234 173

NOTICE OF ANNUAL GENERAL MEETING – EXPLANATORY MEMORANDUM

PURPOSE OF INFORMATION

This Explanatory Memorandum (**Memorandum**) accompanies and forms part of the Company's Notice of the 2019 Annual General Meeting (**Meeting**) to be held on 25 November 2019 at 4:00pm (AEDT) at Computershare, 452 Johnston Street, Abbotsford VIC 3067, Australia.

This Memorandum has been prepared to assist Shareholders to understand the business to be put to Shareholders at the Meeting. It is an important document and should be read carefully and in full. The Notice of Meeting incorporates, and should be read together with, this Memorandum.

Ordinary Business

1. Financial statements and report

The 2019 Annual Financial Statements, comprising the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2019 will be laid before the Meeting. Shareholders will have the opportunity to ask questions about or make comments on the 2019 Annual Financial Statements and the management of the Company. A representative of the auditor will be invited to attend to answer questions about the audit of the Company's 2019 Annual Financial Statements.

The Company's 2019 Annual Financial Statements are set out in the Company's 2019 Annual Report which can be obtained from the Company's website, www.respiri.co or upon request to the Company Secretary (telephone 1800 476 632).

There is no requirement for these reports to be formally approved by Shareholders. No resolution is required to be moved in respect of this item.

2. Resolution 1: Remuneration Report

The Company is required, pursuant to section 250R(2) of the *Corporations Act 2001* (Cth) (**Corporations Act**), to propose at each annual general meeting a non-binding resolution that the Remuneration Report (which forms part of the Director's Report in the Annual Financial Statements) be adopted.

The purpose of Resolution 1 is to lay before the Shareholders the Company's Remuneration Report for the year ended 30 June 2019 so that Shareholders attending the Meeting will have an opportunity to discuss and put questions in respect of the Remuneration Report to the management of the Company, and vote on an advisory and non-binding resolution to adopt the Remuneration Report.

The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

The vote on the resolution for the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, under the Corporations Act, if at least 25% of the votes cast on the resolution (in person or by proxy) are voted against the adoption of the Remuneration Report, then:

- (a) if comments are made on the Remuneration Report at the Meeting, the Company's remuneration report for the financial year ending 30 June 2020 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this;

- (b) 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; and
- (c) a 'second strike' will occur if the resolution to adopt the Remuneration Report at the 2020 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 Remuneration Report forms part of the Directors' Report which has been unanimously been adopted by resolution of the Board. The Directors have resolved in favour of the Remuneration Report and recommend it to Shareholders for adoption.

The Board recommends that Shareholders *vote in favour* of Resolution 1 and adopt the Remuneration Report.

Appointment of a proxy

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this Resolution. If you appoint the Chairman of the Meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on this Resolution 1, he will vote your proxy in favour of that item of business.

Voting Exclusion and Restriction Statement

The Company will disregard all votes cast on Resolution 1 by, or on behalf of:

- a member of the key management personnel (**KMP**), details of whose remuneration details are included in the Remuneration Report for the year ended 30 June 2019; or
- a closely related party of a KMP, whether the votes are cast as a shareholder, proxy or in any other capacity,

unless, the votes are cast as a proxy for a person who is entitled to vote on Resolution 1:

- in accordance with a direction in the proxy appointment; or
- by the Chairman of the Meeting and the appointment of the Chairman as proxy specifies the way the proxy is to vote on Resolution 1 and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is part of a consolidated entity, for the entity.

If you are a KMP or a closely related party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of KMP include its directors and certain senior executives.

A closely related party of a member of the KMP means any of the following:

- a spouse, child or dependent of the member;
- a child or dependent of the member's spouse;
- anyone else who is one of the member's family and may be expected to influence, or be influenced by, the member in the member's dealings with the Company;
- a company the member controls; or
- a person prescribed by regulations (as at the date of this Notice of Meeting, no additional persons have been prescribed by regulation).

Shareholders who intend to appoint the Chairman as proxy (including an appointment by default) should refer to the Proxy and Voting Instructions appended to the Notice of Meeting.

3. Resolution 2: Re-election of Mr Ross Blair-Holt

Pursuant to the Constitution of the Company, Directors appointed to fill a casual vacancy are required to retire at the next following general meeting and is then eligible for re-election. Mr Ross Blair-Holt was appointed to the Board of Directors of the Company to fill a casual vacancy on 26 November 2018 in accordance with clause 13.4 of the Constitution.

Accordingly, in accordance with clause 13.4 of the Constitution, Mr Ross Blair-Holt, being eligible, offers himself for re-election as a Director.

Mr Ross Blair-Holt	Director
<i>Appointed to the Board</i>	26 November 2018
<i>Last elected by Shareholders</i>	N/A
<i>Experience</i>	Mr Ross Blair-Holt brings to the Respiro Board a range of skills, including strategic and structured decision making and knowledge and experience in finance, business processes, risk management and governance. Ross has a Bachelor of Commerce from Melbourne University, and is a Fellow of CPA Australia.

After working at General Credits Finance Company and Citibank until 1986, Mr Ross Blair-Holt has worked for the Bruce Mathieson Group of private companies since 1986. He is currently Director and CEO of all these companies. Between 2004 to 2014, Ross was the Chief Operating Officer of Australian Leisure and Hospitality Group Pty Ltd (**ALH**), the owner and operator of over 300 hotels across Australia. ALH is owned 75% by Woolworths Ltd and 25% by the Bruce Mathieson Group. Mr Ross Blair-Holt remains a Director of ALH, as well as a member of the ALH Audit and Risk Committee.

Mr Ross Blair-Holt is also a Director of a number of technology development companies, including Greyscan Detection Pty Ltd and Eco Detection Pty Ltd, as well as Ord Minnett Investments Ltd, the owner of Ord Minnett Stockbrokers, which was recently acquired by a syndicate that included Bruce Mathieson.

Prof. Bruce Thompson supports the re-election of Mr Ross Blair-Holt and recommends that Shareholders **vote in favour** of Resolution 2.

Mr Mario Gattino does not support the re-election of Mr Ross Blair-Holt and recommends that Shareholders **vote against** Resolution 2.

4. Resolution 3: Re-election of Prof. Bruce Thompson

Pursuant to the Constitution of the Company, Directors appointed to fill a casual vacancy are required to retire at the next following general meeting and is then eligible for re-election. Prof. Bruce Thompson was appointed to the Board of Directors of the Company to fill a casual vacancy on 26 November 2018 in accordance with clause 13.4 of the Constitution.

Accordingly, in accordance with clause 13.4 of the Constitution, Prof. Bruce Thompson, being eligible, offers himself for re-election as a Director.

Prof. Bruce Thompson	Director
(B.app.Sci, CRFS, FANZSRS, FThorSoc, FAPSR, PhD)	
<i>Appointed to the Board</i>	26 November 2018
<i>Last elected by Shareholders</i>	N/A

Experience

Prof. Bruce Thompson is Dean of Health Sciences at Swinburne University of Technology and the President of The Thoracic Society of Australia and New Zealand. He is an internationally recognised opinion leader in respiratory medicine. Prof. Bruce Thompson also sits on the council of the Asia Pacific Society of Respiriology, is Co-Chair of a joint American Thoracic Society/ European Respiratory Society task force on interpretation of pulmonary function testing and a member of a grant review panel of the National Health and Medical Research Council.

Prof. Bruce Thompson previously held leadership positions on the Global Lung Initiative, the Institute for Breathing and Sleep, was President of the Australasian Sleep Technologists Association and a Board member of the Australasian Sleep Association, National Science Week, Australia and New Zealand Society of Respiratory Science, and World Congress in Biomedical Engineering. Bruce has been the recipient of over \$34 million in competitive grants for research, has contributed to Government policy documents, international position papers and guidelines on pulmonary function testing, and is the author of in excess of 130 peer reviewed journal articles and other published works. Bruce is also Chair of Respiro's Australian Medical and Scientific Advisory Board.

Mr Ross Blair-Holt supports the re-election of Prof. Bruce Thompson and recommends that Shareholders **vote in favour** of Resolution 3.

Mr Mario Gattino does not support the re-election of Prof. Bruce Thompson and recommends that Shareholders **vote against** Resolution 3.

5. Resolution 4: Re-election of Mr Mario Gattino

Pursuant to clause 13.2 of the Constitution of the Company, one-third of the Directors (excluding the Managing Director) or, if their number is not a multiple of three, the number nearest to one-third, not exceeding one third, are required to retire by rotation at each Annual General Meeting.

Accordingly, Mr Mario Gattino retires by rotation in accordance with clause 13.2 of the Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Mr Mario Gattino	Director
<i>Appointed to the Board</i>	14 December 2017
<i>Last elected by Shareholders</i>	28 November 2018
<i>Experience</i>	Mr Mario Gattino has over 25 years' experience in senior leadership positions within the medical industry. Mr Gattino has held senior leadership positions in Pfizer, one of the world's largest pharmaceutical companies in the USA and Europe. Other key roles he has held include Managing Director for Perrigo ANZ, a company that makes a wide range of consumer healthcare products and was the key adviser to an in-vitro diagnostic start-up.

Mr Mario Gattino has abstained from making a recommendation on Resolution 4 given this personal interest in the matter. However, Mr Gattino has provided the following statement regarding his re-election as a Director for Shareholders to consider before deciding on how to vote on this item of business.

Dear fellow Shareholders

It has been an honour and a privilege to be the CEO and Director of RespiRI Limited since my appointment on 1 December 2017. During this time I have endeavored to always represent the best interests of the Shareholders and the Company in conducting my duties.

I have actively demonstrated my strong commitment to the Company, including through the on-market purchase of shares in the Company in April 2018 and agreeing to participate in the last two equity capital raisings conducted by the Company in December 2018 and August 2019 (which commitments are the subject of Resolutions 6 and 7 of this Notice of Meeting).

The above actions represent real commitments to the opportunity of finally realising the potential of the wheezo technology and making a profound impact on the lives of millions of asthma sufferers around the world. During my tenure, there have been a number of changes to the composition of the Board, which has been challenging in order to get the support and alignment required to execute our strategy and plans for the Company's success.

I believe that my current fellow directors (Mr Ross Blair Holt and Prof. Bruce Thompson) have not demonstrated a similar level of commitment and belief for the Company. I also believe my current fellow directors have not supported my views and recommendations for the Company's broader strategy, despite my experience and demonstrated ability to successfully develop and commercialize healthcare products globally for 30 years. This divergence in views on key matters has made it difficult for the current directors to function effectively as a Board.

Ultimately, I believe that this has led to the decision by Mr Ross Blair Holt and Prof. Bruce Thompson to end my tenure as CEO on 9 October 2019. Without question this is not my desired outcome. I continue to strongly believe in the potential for our wheezo technology and the significant shareholder value that could be created in the next two years from a timely and properly executed strategy. I would welcome the opportunity to continue on as your CEO with the support of an effective and determined Board with relevant expertise.

Yours sincerely

Mario Gattino

Neither Mr Ross Blair-Holt or Prof. Bruce Thompson support the re-election of Mr Mario Gattino. In light of Mr Mario Gattino's departure as CEO from the Company as announced to ASX on 9 October 2019, Mr Ross Blair-Holt and Prof. Bruce Thompson do not believe that Mr Mario Gattino's re-election is in the best interests of Shareholders. Accordingly, Mr Ross Blair-Holt and Prof. Bruce Thompson recommend that Shareholders **vote against** Resolution 4.

6. Resolution 5: Approval of the issue of shares to a Director (Mario Gattino)

Resolution 5 is proposed to obtain shareholder approval for the issue of 625,000 Shares, to the Chief Executive Officer, Mr Mario Gattino, in connection with the placement of 39,375,000 new fully paid ordinary shares to raise \$3.2 million as announced to ASX on 21 December 2018 (**2018 Placement**). The Shares were applied for by Mr Mario Gattino, subject to shareholder approval in accordance with ASX Listing Rule 10.11, at an issue price of \$0.08 per Share.

ASX Listing Rule 10.11 requires shareholders to approve the issue of shares under the 2018 Placement to Mr Mario Gattino because he is a related party of the Company.

ASX Listing Rule 7.1 requires the prior approval of shareholders in general meeting to issue securities if the number of those securities exceeds 15% of the number of the same class of securities at the commencement of the relevant 12-month period. This rule does not apply in respect of an issue made with the approval of holders of ordinary securities under ASX

Listing Rule 10.11. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

For the purpose of ASX Listing Rule 10.13.3, if shareholders approve Resolution 5, the Shares will be issued to Mr Mario Gattino (and/or his nominee) no later than one month after the date of the Meeting. For the purpose of ASX Listing Rule 10.13.6A, the funds raised from the issue of Shares to Mr Mario Gattino will be used to fund a clinical trials coordinator for the planned CSA (Chest Sounds in Asthma) study.

The Board (excluding Mr Mario Gattino, who abstains from making a recommendation) recommends supporting the approval of the issue of Shares to Mr Mario Gattino under the 2018 Placement and that Shareholders accordingly **vote in favour** of Resolution 5.

Appointment of a proxy

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this Resolution. If you appoint the Chairman of the Meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on this Resolution 5, he will vote your proxy in favour of that item of business.

Voting Exclusion and Restriction Statement

The Company will, for the purposes of the ASX Listing Rule 14.11, disregard any votes cast in favour of Resolution 5 by:

- Mr Mario Gattino who is excluded from voting on the Resolution; or
- an associate of Mr Mario Gattino.

However, for the purposes of ASX Listing Rule 14.11, the Company need not disregard a vote on Resolution 5 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 Chairman of 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.

In accordance with Section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment on any of Resolution 5 if:

- the proxy is either a member of the Company's KMP or a closely related party of a KMP; and
- the appointment does not specify the way the proxy is to vote on the resolutions.

However, for the purposes of Section 250BD of the Corporations Act, the above prohibition does not apply if:

- the proxy is the Chairman of the Meeting; and
- the appointment expressly authorises the Chairman to exercise the proxy even if each of the resolutions is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is part of a consolidated entity, for the entity.

7. Resolutions 6 & 7: Approval of the issue of shares to Directors (Mr Mario Gattino & Mr Ross Blair-Holt)

Resolutions 6 & 7 are proposed to obtain shareholder approval for the issue of 500,000 Shares, to each of the Chief Executive Officer, Mr Mario Gattino, and the Chairman, Mr Ross Blair-Holt, in connection with the placement of 33,000,000 new fully paid ordinary shares to raise \$3.4 million as announced to ASX on 8 August 2019 (**2019 Placement**). The Shares were applied for by Mr Mario Gattino and Mr Ross Blair-Holt, subject to shareholder approval in accordance with ASX Listing Rule 10.11, at an issue price of \$0.10 per Share.

ASX Listing Rule 10.11 requires shareholders to approve the issue of shares under the 2019 Placement to Mr Mario Gattino and Mr Ross Blair-Holt because they are related parties of the Company.

ASX Listing Rule 7.1 requires the prior approval of shareholders in general meeting to issue securities if the number of those securities exceeds 15% of the number of the same class of securities at the commencement of the relevant 12-month period. This rule does not apply in respect of an issue made with the approval of holders of ordinary securities under ASX Listing Rule 10.11. If approval is given under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

For the purpose of ASX Listing Rule 10.13.3, if shareholders approve Resolutions 6 & 7, the Shares will be issued to Mr Mario Gattino and Mr Ross Blair-Holt (and/or their nominees) respectively no later than one month after the date of the Meeting. For the purpose of ASX Listing Rule 10.13.6A, the funds raised from the issue of Shares to Mr Mario Gattino and Mr Ross Blair-Holt will be used to fund a clinical trials coordinator for the planned CSA (Chest Sounds in Asthma) study.

The Board (excluding Mr Mario Gattino and Mr Ross Blair Holt, who abstain from making a recommendation) recommends supporting the approval of the issue of Shares to Mr Mario Gattino and Mr Ross Blair-Holt under the 2019 Placement and that Shareholders accordingly **vote in favour** of both Resolutions 6 and 7.

Appointment of a proxy

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution by marking either "For", "Against" or "Abstain" on the proxy form for this Resolution. If you appoint the Chairman of the Meeting as your proxy (or if he may be appointed by default) and do not direct him how to vote on Resolutions 6 and 7, he will vote your proxy in favour of that item of business.

Voting Exclusion and Restriction Statement

The Company will, for the purposes of the ASX Listing Rule 14.11, disregard any votes cast in favour of Resolutions 6 and 7 by:

- Mr Mario Gattino or Mr Ross Blair-Holt who are excluded from voting on the Resolution; or
- an associate of Mr Mario Gattino or Mr Ross Blair-Holt.

However, for the purposes of ASX Listing Rule 14.11, the Company need not disregard a vote on Resolutions 6 and 7 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 Chairman of 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.

In accordance with Section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment on any of Resolutions 6 and 7 if:

- the proxy is either a member of the Company's KMP or a closely related party of a KMP; and
- the appointment does not specify the way the proxy is to vote on the resolutions.

However, for the purposes of Section 250BD of the Corporations Act, the above prohibition does not apply if:

- the proxy is the Chairman of the Meeting; and
- the appointment expressly authorises the Chairman to exercise the proxy even if each of the resolutions is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is part of a consolidated entity, for the entity.

SPECIAL BUSINESS**8. Resolution 8: Approval of 10% Placement Issue****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 the 12-month period commencing after the annual general meeting at which the additional approval is obtained (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' for the purpose of ASX Listing Rule 7.1A. 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 10% of the Company's issued share capital pursuant to ASX Listing Rule 7.1A and up to 15% pursuant to ASX Listing Rule 7.1. 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

ASX 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:

$$(A \times D) - E$$

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 ASX 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 ASX 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 has the same meaning in ASX 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 ASX 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 ASX 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 Company has the following classes of quoted equity securities as at the date of this Notice of Meeting;

- Ordinary fully paid shares ASX code RSH

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:

- 1 year following the date of the Meeting; 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 or such longer period if allowed by the ASX.

Any approval of the Additional Placement Capacity at this Meeting will cease to be valid if and from the date 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 assets or the settlement of obligations (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, to fund product research, development and commercialisation programs or for the acquisition of new assets.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities.

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 Directors have not decided if they will issue any securities under the Additional Placement Capacity and so allottees under the Additional Placement Capacity have not yet been determined. If Directors decide to issue securities under the Additional Placement Capacity, 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 ASX Listing Rule 7.1A.2.

The table 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.

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$0.035 50% decrease in Deemed Price	\$0.069 Deemed Price (current price)	\$0.138 100% Increase in Deemed Price
Current Variable A 485,883,098 Shares	10% Voting Dilution	48,588,310 Shares	48,588,310 Shares	48,588,310 Shares
	Funds raised	\$1,676,297	\$3,352,593	\$6,705,187
50% increase in current Variable A 728,824,647 Shares	10% Voting Dilution	72,882,465 Shares	72,882,465 Shares	72,882,465 Shares
	Funds raised	\$2,514,445	\$5,028,890	\$10,057,780
100% increase in current Variable A 971,766,196 Shares	10% Voting Dilution	97,176,620 Shares	97,176,620 Shares	97,176,620 Shares
	Funds raised	\$3,352,593	\$6,705,187	\$13,410,374

* Please note that the balances shown above are true and correct at time of printing.

Table 1 above has been prepared based on the following assumptions:

- Variable A is based on the number of Shares on issue as at close of trading on Thursday, 17 October 2019.
- 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 issue price of \$0.069 was the closing price of Shares as traded on ASX on 5:00pm (AEDT), 18 October 2019. This price may fluctuate between the time of preparing this Notice and the date of the Meeting.

The Company has previously obtained approval for the Additional Placement Capacity at its 2015, 2016, 2017 and 2018 Annual General Meetings.

Information under ASX Listing Rule 7.3A.6(a)

The table below shows the total number of equity securities issued in the 12 months before the date of the Meeting and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12-month period.

Equity securities on issue at the commencement of the 12 month period	473,383,224 shares 30,000,000 options (excluding the 14,000,000 options in dispute at the time as announced to ASX on 10 August 2018)
Equity securities issued in the 12 month period	85,499,874 shares 29,000,000 options (including the 14,000,000 options that were re-instated as announced to ASX on 6 September 2019)
Percentage previous issues represent of total number of equity securities on issue at commencement of 12 month period	22.7%

Information under ASX Listing Rule 7.3A.6(b)

The table below sets out specific details for each issue of equity securities that has taken place in the 12-month period before the date of the Meeting.

Date of issue, class and type of equity security and number issued	<p>A. 39,375,000 ordinary shares on 21 December 2018 (excluding 625,000 shares for current Director Mario Gattino that are subject to shareholder approval) including:</p> <p style="padding-left: 40px;">a. 34,375,000 ordinary shares, plus a further</p> <p style="padding-left: 40px;">b. 5,000,000 ordinary shares</p> <p>B. 5,000,000 options on 21 December 2018</p> <p>C. 12,499,874 ordinary shares on 11 February 2019</p> <p>D. 625,000 ordinary shares on 15 February 2019</p> <p>E. 10,000,000 options issued on 7 June 2019</p> <p>F. 33,000,000 ordinary shares on 8 August 2019 (excluding 1,000,000 shares for current Directors Ross Blair-Holt and Mario Gattino that are subject to shareholder approval)</p> <p>G. 14,000,000 options re-instated on 6 September 2019</p>
Summary of terms	<p>A. Ordinary shares issued rank equally with the Company's existing shares with an issue price of \$0.08</p> <p>B. Options issued are unlisted with an exercise price of \$0.12 and an expiry date of 21 December 2020</p> <p>C. Ordinary shares issued rank equally with the Company's existing shares with an issue price of \$0.08</p> <p>D. Ordinary shares issued rank equally with the Company's existing shares with an issue price of \$0.08</p> <p>E. Options issued are unlisted with:</p> <p style="padding-left: 40px;">a. 6,000,000 having an exercise price of \$0.005; an expiry date of 31 Dec 2020; and a vesting condition trigger of \$0.20</p> <p style="padding-left: 40px;">b. 4,000,000 having an exercise price of \$0.125; an expiry date of 31 Dec 2021; and a vesting condition trigger of \$0.25</p> <p>F. Ordinary shares issued rank equally with the Company's existing shares with an issue price of \$0.10</p> <p>G. Options issued are unlisted with:</p> <p style="padding-left: 40px;">a. 12,000,000 having with an exercise price of \$0.03; and an expiry date of 31 December 2023</p> <p style="padding-left: 40px;">b. 2,000,000 having with an exercise price of \$0.03; and an expiry date of 31 December 2024</p>

Names of persons who received securities or basis on which those persons were determined	<p>A. Placement offer taken up by:</p> <ul style="list-style-type: none"> a. new and existing shareholders including major supplier Grey Innovation, plus b. major supplier, Two Bulls. <p>B. Entities associated with Fawkner Capital, in lieu of cash, for part payment of costs associated with the capital raise</p> <p>C. Existing shareholders at the time under a defined Share Purchase Plan</p> <p>D. Entity associated with the Company's Brand Ambassador, Michael Clarke, in lieu of cash</p> <p>E. Entities associated with executive team member and CXO, Wani Wall</p> <p>F. Placement offer to new and existing shareholders</p> <p>G. Entities associated with former director Leon L'Huillier (12,000,000) and former director John Ribot-de-Bresac (2,000,000)</p>
Issue price and discount to market price (if any)	<p>A. \$0.08 per share which represents a 14% discount to the closing price of shares as traded on ASX on the issue date</p> <p>B. <i>Nil</i></p> <p>C. \$0.08 per share which represents a 10% discount to the closing price of shares as traded on ASX on the issue date</p> <p>D. \$0.08 per share which represents a 10% discount to the closing price of shares as traded on ASX on the issue date</p> <p>E. <i>Nil</i></p> <p>F. \$0.10 per share which represents a 5% premium to the closing price of shares as traded on ASX on the issue date</p> <p>G. <i>Nil</i></p>

For cash issues

Total cash consideration received	<p>A. Cash consideration received as follows:</p> <ul style="list-style-type: none"> a. \$2,750,000 (with a further \$50,000 subject to shareholder approval) b. <i>Nil</i> <p>B. <i>Nil</i></p> <p>C. \$1,000,000</p> <p>D. <i>Nil</i></p> <p>E. <i>Nil</i></p> <p>F. Cash consideration received of \$3,300,000 (with a further \$100,000 subject to shareholder approval)</p> <p>G. <i>Nil</i></p>
Approximate amount of cash consideration spent	<p>A. Cash spent:</p> <ul style="list-style-type: none"> a. \$2,750,000 b. <i>n/a</i> <p>B. <i>n/a</i></p> <p>C. \$1,000,000</p> <p>D. <i>n/a</i></p> <p>E. <i>n/a</i></p> <p>F. \$3,000,000</p> <p>G. <i>n/a</i></p>

Use of cash consideration	<p>A. Cash used for:</p> <ul style="list-style-type: none"> a. Working capital b. n/a <p>B. n/a</p> <p>C. Working capital</p> <p>D. n/a</p> <p>E. n/a</p> <p>F. Working capital</p> <p>G. n/a</p>
Intended use for remaining amount of cash (if any)	<p>A. Cash remaining to be used for:</p> <ul style="list-style-type: none"> a. Nil b. n/a <p>B. n/a</p> <p>C. Nil</p> <p>D. n/a</p> <p>E. n/a</p> <p>F. \$300,000 remaining to be used for working capital</p> <p>G. n/a</p>

For non-cash issues

Non-cash consideration paid	<p>A. Non-cash consideration received as follows:</p> <ul style="list-style-type: none"> a. n/a b. \$400,000 for discount on future services to provided <p>B. Capital advisory services</p> <p>C. n/a</p> <p>D. for part payment of services delivered during the 12 month period February 2019 to January 2020 as brand ambassador of Wheezo</p> <p>E. For services rendered in capacity as CXO over and above standard employment contract</p> <p>F. n/a</p> <p>G. Prior services rendered as directors</p>
Current value of that non-cash consideration	<p>A. Balance owing:</p> <ul style="list-style-type: none"> a. n/a b. unused balance of \$250,000 <p>B. Options have a current value of \$0.0133 per option and an aggregate current value of \$66,507</p> <p>C. n/a</p> <p>D. \$41,250</p> <p>E. 10,000,000 options as follows:</p> <ul style="list-style-type: none"> a. 6,000,000 have a current value of \$0.0533 per option and an aggregate current value of \$319,598 b. 4,000,000 have a current value of \$0.0361 per option and an aggregate current value of \$144,437 <p>F. n/a</p>

	<p>G. 14,000,000 options as follows:</p> <ul style="list-style-type: none">a. 8,000,000 have a current value of \$0.04758 per option and an aggregate current value of \$380,658b. 6,000,000 have a current value of \$0.04808 per option and an aggregate current value of \$288,459
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Voting Exclusion and Restriction Statement:

The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour of Resolution 8 by a person who is expected to participate in the 10% placement issue and a person who will obtain a material 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.

As at the date of this Notice of Meeting the Company has no specific plans to issue equity securities under the 10% placement issue and therefore it is not known who (if any) may participate in a potential (if any) issue of equity securities under the 10% placement issue.

However, the Company need not disregard a vote cast on the resolution 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 Chairman of 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.