

ASX Announcement

(ASX:RSH)

Date: 18 December 2018

RESPIRI LIMITED | \$3.2M SHARE PLACEMENT

Respiri Limited (ASX: RSH) is pleased to announce it has successfully conducted a \$3.2 million capital raising via a private placement to sophisticated and professional investors at 8.0 cents per share ("Placement"). The strategic significance of the raising is that it strengthens the Company's balance sheet and provides the Company the financial capacity to progress to the launch and production of wheezo™, which is scheduled for early 2019.

Successful capital raising with new valued shareholders

The 40,000,000 new shares issued under the Placement. Post settlement of the Placement, the Company's capital fully paid ordinary share structure will be 513,388,224 fully-paid ordinary shares.

The Shares will be issued using the Company's Listing rule 7.1 and 7.1A capacity as follows:

- LR7.1 – 20,000,000
- LR7.1A – 20,000,000

As part of the Placement, and further to the Company's ASX announcements of 17 December 2018, the Company has attracted new valued shareholders via the Placement, including strategic partners Grey Innovations and Two Bulls, who are anticipated to be long term supporters of the Company and who have committed to support the Company's vision going forward.

Commenting on the Placement, CEO Mario Gattino said,

"I am very pleased to announce the completion of a successful capital raising at a time when most people are thinking about Christmas parties and holidays. It is a testament to how exciting and strong the underlying fundamentals for Respiri are; we have certainly turned the corner.

We welcome our two world class development partners, Grey Innovation and Two Bulls taking equity stakes via this placement, and the strategic partnership discussions we are having now clearly represents belief and expectation in us delivering on the potential of our technology.

I particularly want to welcome the support and participation of a number of new sophisticated private and family office-based investors who have joined us on this journey. I want to assure all our shareholders that we will remain protective and prudent with the use of this capital; the roadmap to our success is clear and our focus will be on the activities and plans that lead to the successful launch of wheezo™ in 2019."

Strategic partners placement

Two Bulls, Number of Securities @\$0.080 per Security 5,000,000 – Total Amount \$400,000

Grey Innovation, Number of Securities @\$0.080 per Security 6,250,000 – Total Amount \$500,000

Share Purchase Plan

Following the settlement of the Placement, the Company intends to undertake an SPP to eligible existing shareholders, to raise up to \$1 million. The record date for eligible existing shareholders to participate in the SPP will be Monday, 17 December 2018. The Company intends to finalise the remaining terms of the SPP in due course and will announce those details once they have been finalised.

Further detail on the proposed use of Placement proceeds

The Company intends to use the proceeds from the Placement for the following (without limitation):

1. Completion of safety and compliance testing of wheezo™ technology to obtain ISO13485 certification to meet relevant regulatory approval requirements for UK, Australia & Singapore
2. Completion of development of the smart app for iOS and Android platforms with 'Machine Learning' capabilities at launch to support 'Personal Asthma Coach' claim and 'Go To Market' strategy – clinical studies and user testing program
3. Conduct validation clinical studies in Australia and the UK with new generation wheezo™ breath sensor and smart app to gain medical community endorsement
4. Complete the manufacturing transfer from Grey Innovation to SRX Global (contract manufacturer) to build an initial 130 units, which will be prioritised for regulatory approval and clinical studies as per the above
5. Define the 'Go To Market' launch budgets per quantum of capital raised, with capital allocation to promotional activities and support programs with highest ROI underpinned by data and analytics
6. Building off existing technology advancement in developing wheezo™, accelerate development of 'Overnight Monitor' and 'Stand Alone' wheeze monitor devices with development partners
7. Continue to review and strengthen Respiri's multi-faceted Intellectual Property ("IP") with anticipation of filing new patents/ IP, trademarks and copyright across all major geographies resulting from completion of the wheezo™ technology
8. Costs associated with the Placement offer

Key Placement Details:

Placement Price:	8.0 cents per share (a 14% discount to the closing share price of 9.3 cents on 13 December 2018 and an 11% discount to the 15-day VWAP of 9.0 cents up to and including 13 December 2018)
No of Securities:	40,000,000 fully paid ordinary shares
Proceeds of the Placement:	\$3.2 million (before the costs of the Placement)
Lead Manager:	Fawkner Capital
Expected Placement settlement	21 December 2018

Mario Gattino
CEO and Director
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About Respiri Limited (ASX:RSH)

Respiri's mission is to help improve quality of life for millions of children and adults around the world and dramatically reduce hospital admissions and the economic burden of asthma. The Company offers sensors, mobile apps and analytics to support respiratory health management. Its world first technology detects wheeze, a typical symptom of asthma, COPD and respiratory disease to provide an objective measure of airway limitation. Respiri's innovative platform provides personalised feedback and education based on the user's data and enables the sharing of that data with caregivers and health care providers. Respiri Limited's operations are based in Melbourne, Australia.

Forward Looking Statements

Certain statements made in this announcement are forward-looking statements. These forward looking statements are not historical facts but rather are based on Respiri's current expectations, estimates and projections about the industry in which Respiri operates, and its beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward-looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the endeavour of building a business around such products and services. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Respiri, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Respiri cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Respiri only as of the date of this release. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. Respiri will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.