

ASX / MEDIA ANNOUNCEMENT

2 June 2020

Share sale facility for holders of less than marketable parcels

Respiri Limited (ASX:RSH) (“Respiri” or the “Company”), an eHealth SaaS Company supporting respiratory health management, is pleased to announce that the Company has established an Unmarketable Parcel Sale Facility (UMP Facility) for shareholders holding less than a Minimum Shareholding (Minority Members).

The UMP Facility will enable Minority Members to sell their shares without incurring any brokerage or handling costs. The UMP Facility will also allow the Company to reduce the significant administrative costs involved with maintaining a large number of unmarketable parcel shareholdings on its register.

Full details of the facility are attached to this announcement and will be mailed out to all Minority Members today.

For further information, investors and media please contact:

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This ASX announcement dated 2 June 2020 has been authorised for release by the Board of Directors of Respiri Limited.

About Respiri Limited

Respiri is an e-Health SaaS company supporting 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. The only platform of its kind, the flagship wheezo® product employs machine learning to provide personalised feedback and education based on the user’s personal health data correlated with environmental factors, and enables the sharing of that data, anytime, anywhere with caregivers, physicians and other health care professionals.

Respiri’s mission is to help improve quality of life for hundreds of millions of children and adults around the world and dramatically reduce hospital admissions and the economic burden of asthma. Respiri Limited’s operations are based in Melbourne, Australia.

For additional information about Respiri and its products, please visit www.respiri.co

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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 Respiro current expectations, estimates and projections about the industry in which Respiro 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 Respiro, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward looking statements. Respiro cautions shareholders and prospective shareholders not to place undue reliance on these forward looking statements, which reflect the view of Respiro 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. Respiro 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.

RESPIRI

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RSH

MR SAM SAMPLE
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SAMPLETOWN NSW 2001

2 June 2020

Dear shareholder,

NOTICE OF SHARE SALE FACILITY FOR HOLDERS OF LESS THAN MARKETABLE PARCELS

The Board of Directors of Respiri Limited (ASX: RSH) (**Respiri**, or the **Company**) are pleased to advise that the Company has established an Unmarketable Parcel Sale Facility (**UMP Facility**) for shareholders holding less than a Minimum Shareholding (**Minority Members**).

As per Respiri's Constitution a **Minimum Shareholding** is defined as a number of shares equal to a "marketable parcel". A marketable parcel of Listed Securities within the meaning of the Listing Rules is one with a value of at least AUD\$500 (\$500).

The UMP Facility will facilitate the aggregation, and on-sale, of all Minority Members' holdings. The UMP Facility will allow all Minority Members to sell their shares without incurring any brokerage or handling costs. It will also allow the Company to save significant Registry and communication costs in the future.

The UMP Facility will be available to Minority Members recorded on Respiri's register of members who, at 7:00pm (AEST) on 29 May 2020 (**Record Date**) were holders of an "Unmarketable Parcel" in the Company (**Eligible Shareholders**). That is, shares with a value of less than the Minimum Shareholding of \$500.

Based on a price of \$0.073 per share, being the closing price at the Record Date, a Minimum Shareholding is one of 6,850 shares. A Minority Member is one who has a holding(s) of less than 6,850 shares.

Our records show that you are recorded on the Register as Minority Member as at the Record Date and accordingly are an Eligible Shareholder that is eligible to participate in the UMP Facility.

As at the Record Date, the Company has approximately 4,584 shareholders of which approximately 2,434 (or 53%) are Minority Members that hold less than marketable parcels. Whilst large in number the total value of these shares held by Minority Members is less than 0.34% of the market value of all shares on issue.

Pursuant to clause 3 of Respiri's Constitution and ASX listing Rule 15.13, the Company may notify Eligible Shareholders that it intends to sell their holdings unless they complete and lodge the enclosed Share Retention Form by 5.00pm (AEST) on Tuesday, 14 July 2020 (**Closing Date**).

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Shares to be sold under the UMP Facility will be sold on ASX in the ordinary course of trading at the prevailing market price, subject to the shares not being sold at a price less than the average of the closing price for the ten trading days immediately preceding the date of any offer received by the Company for your shares (**Authorised Price**). The Company will pay all brokerage and handling costs of the sale for Minority Members of less than Marketable Parcels under the UMP Facility, excluding tax consequences from the sale, which remain the shareholder's responsibility. The sale price of each of your shares will be the average price of every share sold on ASX under the UMP Facility.

All Minority Members who are participating in the UMP Facility will receive the same sale price per share and the payment for your holding will be the sale price multiplied by the number of your shares sold. As the sale price is an average, the proceeds that you receive may be more or less than the actual price received by the broker for the sale of your shares.

Schedule of Key Dates

EVENT	DATE
Unmarketable Parcels Record Date	7.00pm (AEST), Friday 29 May 2020
Unmarketable Parcels Announcement to ASX	Tuesday 2 June 2020
Letters sent to Minority Members (notice period commences)	Tuesday 2 June 2020
Closing Date for receipt of Share Retention Form	Tuesday 14 July 2020
Notice to Minority Members who have not returned Share Retention Forms of intention to sell Unmarketable Parcels	Tuesday, 14 July 2020
Unmarketable Parcels for which Share Retention Forms have not been received are available for sale under the UMP Facility	Tuesday, 21 July 2020
Payment Date	Within 14 days following settlement of all shares sold under the UMP Facility, or otherwise as soon as practicable

The Company may modify these dates or suspend or terminate the UMP Facility at any time, other than the Record Date. Any modification, suspension or termination will be notified to shareholders by way of a market announcement on ASX.

Your options

As an Eligible Shareholder, your options are set out below:

1. Sell your Unmarketable Parcel

If you wish to sell your Respi Shares through the UMP Facility without incurring any brokerage or handling costs, **you DO NOT need to take any action**. Respi is authorised under clause 3.4 of its Constitution to sell your shares immediately following the expiry of the six week offer period, unless the Company receives a completed Share Retention Form from you before the Closing Date or you otherwise respond to the second notice scheduled to be issued on 14 July 2020.

Your shares will be pooled with other shares that are eligible to be sold under this UMP Facility and sold as soon as practicable after the Closing Date and the expiration of 5 Business Days following the second notice.

All costs associated with the sale of your shares will be borne by the Company. You do not need to appoint a broker nor pay the brokerage and handling costs associated with the sale of shares under the UMP Facility. Any tax consequences arising from the sale of your shares will be your responsibility.

The shares will be sold at the market price of the Company's shares on the ASX (ASX:RSH), following the Closing Date, subject to the shares not being sold at a price less than the average of the closing price for the ten trading days immediately preceding the date of any offer received by the Company for your shares (**Authorised Price**).

Subject to shares not being sold for less than the Authorised Price, you will not have control over the time at which your shares are sold, and the price you receive may differ from the price appearing in the media or quoted by the ASX on any day and may not be the best price on the day your shares are sold.

Sale proceeds will be paid to you, within 14 days of the share sale in Australian dollars via the payment method recorded on the RSH register, by either direct credit or cheque. If your direct credit details or address require updating, you can amend your details online through Computershare's Investor Centre website at <http://www.computershare.com.au/investor>. Minority members with a registered address outside of Australia on the Closing Date will be paid their sale proceeds in Australian dollars via a cheque sent in the post.

2. Retain your existing holding

If you wish to retain your Respi Shares, YOU MUST either:

A. Opt out of the UMP Facility.

Complete and return the attached Share Retention Form to the address provided on the Share Retention Form by no later than 5.00pm (AEST) on Tuesday, 14 July 2020 (**Closing Date**). If your Share Retention Form is not received by the Closing Date, we will send a final notice on the Closing Date providing you with a reminder and a further 5 Business Days within which to return your Share Retention Form; or

B. Top up your existing holding.

Make your own arrangements outside of this UMP Facility to increase each of your holdings that are less than the Minimum Shareholding by purchasing additional Respi shares so that your registered holding is valued at no less than \$500 on the Closing Date based on \$0.073 per share (ie the closing price on the Record Date). Note that the increase must be under the same name and address and with the same holder number (SRN or HIN) as set out on the attached Share Retention Form; or

C. Merge "like holdings"

If you hold Respi shares in multiple holdings (but still in the name of the same legal entity) arrange to have those holdings merged into one Minimum Holding, i.e., one holding with a value of at least \$500 or more on the Closing Date.

If you successfully take one of these steps, Respi will not be entitled to sell your shares under the UMP Facility. Please note that your Share Retention Form cannot be returned by fax.

Important Information

Respi is not bound to sell all or any of the shares that may be available for it to sell under the UMP Facility, and there is no guarantee that Respi will be able to sell your shares.

Neither Respi nor any other person involved in the UMP Facility shall be liable for failure to sell the shares. The number of shares in the Company required for a Minimum Holding for the purposes of the UMP Facility was calculated based on the closing price of Respi shares on the Record Date in accordance with the Company's Constitution. This price may not be the same as the prevailing market price for Respi's shares at the time of any share sale at the completion of the Offer period.

The Company has determined whether a shareholder is a Minority Member with a holding of less than a marketable parcel at the Record Date based on the closing price of the Company's shares on that date. The Company will not have any reference to any increase in the price of shares after the Record Date in determining whose shares may be sold pursuant to this UMP Facility.

The Company does not make any recommendation or provide any advice to you regarding whether to sell your holding under the UMP Facility or retain your existing holding.

If you are a Minority Member holding less than a Marketable Parcel as at the Record date then, unless you take one of the steps outlined in section 2 of this letter, Respire will be entitled to sell your shares under the UMP Facility.

Please read the instructions on your personalised Share Retention Form carefully before completing it. If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the UMP Facility you should consult your financial, legal or taxation adviser.

The attached terms and conditions set out further details of the UMP Facility which you should read before making any decision.



Yours faithfully

Alastair Beard

Company Secretary

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Terms and Conditions of the Unmarketable Share Sale Facility (UMP Facility)

1. What is an Unmarketable Parcel?

An unmarketable parcel of shares is a holding of Respi shares less than a Marketable Parcel, being a parcel of shares valued at less than \$500 as at 7:00pm (AEST) on 29 May 2020 (**Record Date**). Based on the closing price of Respi shares as at the Record Date, this is a holding of less than 6,850 shares.

As the determination of whether a parcel of shares is a Marketable Parcel, and accordingly whether a holder of such parcel is a Minority Member, is undertaken at the Record Date, any increase in the Respi share price after that date will not impact what constitutes a Marketable Parcel.

2. Why have I been sent this letter?

You have been sent this letter because, under Respi's Constitution, you are defined as a Minority Member of the Company. A Minority Member is one whose shareholding on the Record Date is less than a Marketable Parcel. However, please note that just because this parcel of shares is referred to as being 'unmarketable' for the purposes of the ASX Listing Rules and the Company's Constitution does not mean that it cannot be sold by you under normal circumstances.

3. Why did Respi establish the UMP Facility?

Respi recognises that Minority Members holding less than Marketable Parcels may find it difficult or expensive to dispose of their shares in the usual way. The Company is offering the UMP Facility to assist holders of less than Marketable Parcels to sell their shares without incurring brokerage or handling costs.

The Company is also seeking to reduce the Company's administrative costs associated with maintaining a large number of shareholders with less than Marketable Parcels.

4. What if I want to retain my shares?

If you want to retain your Respi shares, you must either:

- A. Opt out of the UMP Facility by returning your Share Retention Form as per the instructions on the form.
- B. Top up your holding by the Closing Date so that you (specifically that particular holding) is the registered holding of at least 6,850 shares, being a Marketable Parcel. The increase must be under the same name and address and with the same holder number (SRN or HIN) as set out in this letter.
- C. Combine holdings. If you currently have more than one holding on the Respi share register, you may wish to consider amalgamating your holdings so that they are registered as one holding by the Closing Date. This may result in your amalgamated holding no longer being a less than Marketable Parcel. Under these circumstances your shares will not be sold as part of this Facility.

5. What price will I receive for shares sold through the UMP Facility?

The price at which shares will be sold under the UMP Facility will be determined at the Directors' sole discretion, being the best price reasonably available at the time and the date on which the market price was determined, and subject to the shares not being sold at a price less than the average of the closing price for the ten trading days immediately preceding the date of any offer received by the Company for your shares (**Authorised Price**). The price ultimately received will be determined by market conditions and may be different from the market price prevailing at the time.

You will receive the same sale price per share and will receive a proportionate share of the sale proceeds from all shares sold under the UMP Facility.

Other than that your shares will not be sold for less than the Authorised Price, the Company does not give any assurance as to the likely sale price of the shares that may be achieved.

You will not have control over the time at which your shares are sold, and the price you receive may differ from the price appearing in the media or quoted by the ASX on any day and may not be the best price on the day your shares are sold.

6. When will the proceeds from the sale of shares be sent to me?

Payment will be forwarded to you following settlement of all shares sold under the UMP Facility, or otherwise as soon as it is practicable via the payment method recorded on the RSH register, by either direct credit or cheque. If your direct credit details or address require updating, you can amend your details online through Computershare's Investor Centre website at <http://www.computershare.com.au/investor>. Payment will be made in Australian Dollars. You will be notified by way of a transaction confirmation statement of the number of your shares sold and your sale proceeds. Minority Members with a registered address outside of Australia on the Record Date will be paid their sale proceeds in Australian dollars via cheque to the address recorded on the RSH register.

7. What if my shares are held in a CHESS or broker sponsored holding?

If your shares remain in a CHESS or broker sponsored holding at 5:00pm (AEST) on the Closing Date the Company may move those shares to an issuer sponsored holding and the shares will be sold through the UMP Facility.

8. Where can I get further information about the UMP Facility?

Applicants with further queries please call 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8.30am and 5.00pm (AEST) Monday to Friday.

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