

6 June 2019

Company Announcements Office
ASX Limited

Exercise of Performance Rights and Issue of Shares

We advise that **5,023 Performance Rights (NANAO)** have been exercised under the Nanosonics Omnibus Equity Plan. **5,023 Fully Paid Shares** have been issued into the Nanosonics Deferred Employee Share Plan Trust. In addition, **120,205 Performance Rights (NANAO)** have been granted under the Nanosonics Omnibus Equity Plan. Since 15 March 2019, there have been a total of 109,832 Performance Rights (NANAO) and 62,367 Options (NANAB) which were forfeited. There is now a total of 4,027,769 unlisted Options and Performance Rights on issue. These movements in Performance Rights and Options are detailed in the attached Appendix 3B.

Notice under Section 708A(5)(e)

As at 6 June 2019, Nanosonics Limited gives notice under section 708A(5)(e) of the Corporations Act 2001 (Corporations Act) that:

1. The Company issued the securities without disclosure to investors under Part 6D.2 of the Corporations Act.
2. The Company has complied with the provisions, as they apply to the Company, of Chapter 2M of the Corporations Act and with Section 674 of the Corporations Act; and
3. There is no information:
 - a. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - b. which investors and their professional advisors would reasonably require for the purpose of making an informed assessment of the assets and liabilities, financial performance, profits and losses and prospects of Nanosonics, or the rights and liabilities attaching to Nanosonics ordinary shares.

Nanosonics Limited



McGregor Grant
Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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, 04/03/13

Name of entity

Nanosonics Limited

ABN

11 095 076 896

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 | Fully Paid Ordinary Shares
Performance Rights |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 5,023 Fully Paid Ordinary Shares

120,205 Performance Rights |
| 3 | Principal terms of the +securities (e.g. 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) | Ordinary shares issued in accordance with the terms of the Nanosonics Omnibus Equity Plan.

60,837 Performance Rights: <ul style="list-style-type: none">- Nil exercise price- Expiry date 4 February 2025.
59,368 Performance Rights: <ul style="list-style-type: none">- Nil exercise price- Expiry date 4 March 2025. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <p>) the date from which they do</p> <p>) the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</p> <p>) the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</p>	N/A
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>Fully Paid Ordinary Shares issued as a result of exercise of Performance Rights issued pursuant to the rules of the Nanosonics Omnibus Equity Plan.</p> <p>Performance Rights issued in accordance with the rules of the Nanosonics Omnibus Equity Plan.</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>	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of +securities issued under an exception in rule 7.2	N/A	
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.	N/A	
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	N/A	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	6 June 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number 299,967,279	+Class Fully Paid Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

9 Number and ⁺class of all ⁺securities not quoted on ASX (including the ⁺securities in section 2 if applicable)

Number	⁺ Class
428,364	NANAB - Unquoted Options, with exercise price of A\$2.85 expiring on 31 August 2022.
672,773	NANAB - Unquoted Options, with exercise price of A\$2.38 expiring on 31 August 2023.
1,329,929	NANAB - Unquoted Options, with exercise price of A\$3.442 expiring on 30 September 2024.
403,069	NANAO – Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 31 August 2021
260,420	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 31 August 2022
13,645	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 1 September 2020
118,616	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 31 August 2021
337,293	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 31 August 2023.
198,114	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 31 August 2022.
16,501	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 31 August 2023.
128,840	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 30 September 2024.
60,837	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 4 February 2025.
59,368	NANAO - Unquoted Performance Rights, with exercise price of A\$0.00 expiring on 4 March 2025.

⁺ See chapter 19 for defined terms.

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

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	N/A

⁺ See chapter 19 for defined terms.

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

(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

N/A

39 ⁺Class of ⁺securities for which quotation is sought

N/A

⁺ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

40	<p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <p>) the date from which they do</p> <p>) the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</p> <p>) the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</p>	N/A	
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)</p>	N/A	
42	<p>Number and ⁺class of all ⁺securities quoted on ASX (including the ⁺securities in clause 38)</p>	Number	⁺ Class
		N/A	

⁺ See chapter 19 for defined terms.

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.

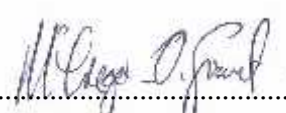
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

) 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 is not available now, we 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:  Date: 6 June 2019
(Director/Company secretary)

Print name: McGregor Grant

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+ See chapter 19 for defined terms.