



EU final compliance report by ASIC

ASIC's final report dated **8 May 2018** on compliance with the s93AA ASIC Act enforceable undertaking given by **Rhinomed Limited** (ACN 107 903 159) (**Rhinomed**) dated **9 June 2016** incorporating the variation dated **23 September 2016**.

Terms used in this report have the same meaning as in the 23 September 2016 enforceable undertaking (**EU**).

Undertakings	Report on compliance
<p>Engagement of the Independent Expert</p> <p>EU paragraphs 3.2 – 3.5</p>	<ul style="list-style-type: none"> • Rhinomed requested ASIC to approve the engagement of an Independent Expert and the draft terms of engagement for three possible experts within the timeframe extended by ASIC as contemplated in the EU. • Following ASIC's approval, Rhinomed engaged the Independent Expert within the time specified by the EU.
<p>Terms of engagement</p> <p>EU paragraph 3.6</p>	<ul style="list-style-type: none"> • The terms of the engagement reflected the requirements outlined at paragraph 3.6 of the EU.
<p>Role of the Independent Expert</p> <p>EU paragraphs 3.8 - 3.10</p>	<ul style="list-style-type: none"> • In the manner and time specified in the EU, the Independent Expert <ol style="list-style-type: none"> 1. reviewed Rhinomed's Disclosure Practices, Policies, Procedures and Resources, identified deficiencies and recommended amendments; 2. provided to Rhinomed the First Report outlining deficiencies, recommendations and timeframes for implementation; 3. tested whether the recommendations in the First Report were implemented; and 4. provided to Rhinomed and ASIC the Second Report detailing the outcome of testing, setting out any recommendations that were not sufficiently addressed or implemented and outlining any further recommendations deemed necessary. • ASIC was satisfied that a Third Report was not required and accordingly exercised its discretion under paragraph 3.17 to release

Undertakings	Report on compliance
	<p>Rhinomed and the Independent Expert from all related obligations. The timeframe in which ASIC could exercise this discretion was extended by agreement between ASIC and Rhinomed.</p>
<p>Remediation Plan EU paragraphs 3.11 – 3.17</p>	<ul style="list-style-type: none"> • Rhinomed provided to the Independent Expert, within the specified timeframe, the First Remediation Plan in respect of the recommendations in the First Report. This was accepted by the Independent Expert without any required modifications. • Rhinomed has taken action to implement the First Remediation Plan within the time frame specified by the EU. • Rhinomed did not provide a written notification under paragraph 3.13.3.* • The Independent Expert concluded in its Second Report that Rhinomed has implemented the recommendations set out in the First Report in accordance with the First Remediation Plan. • Having regard to the Second Report and a subsequent conversation with the Independent Expert, ASIC decided to exercise its discretion under paragraph 3.17 of the EU such that the Second Remediation Plan and Third Report were not required. • Rhinomed provided a final statement under paragraph 3.18 of the EU stating it had complied with all of the undertakings of EU within the timeframe specified in the EU.
<p>External Training EU paragraph 3.22</p>	<ul style="list-style-type: none"> • The Independent Expert confirmed (in its Second Report) that Rhinomed had engaged an external training provider (in this case, the Independent Expert) to provide training in relation to Rhinomed's continuous disclosure obligations. • This training was provided within the specified timeframe to all required groups.
<p>Restrictions on fundraising EU paragraph 3.23</p>	<ul style="list-style-type: none"> • Rhinomed did not give a notice or offer relating to securities in the nature prohibited by the EU during the period specified.

*Substantial and satisfactory compliance, as Rhinomed did provide a final statement under paragraph 3.18.