15th December 2009

Dear Shareholder,

OFFER OF NEW NANOSONICS SHARES UNDER A SHARE PURCHASE PLAN

The directors of Nanosonics Limited (**"Company"** or **"Nanosonics"**) are pleased to extend an invitation to each Nanosonics shareholder registered as at 5:00pm (Sydney Time) on 9th December 2009 (**"Record Date"**) as a holder of fully paid ordinary shares ("**Shares**") and with a registered address in Australia or New Zealand (**"Eligible Shareholder"**) to subscribe for additional Shares under the terms and the conditions of Nanosonics' share purchase plan set out in Annexure "A" to this letter (**"Share Purchase Plan" or "SPP"**).

Each Eligible Shareholder may subscribe for up to A$4,999.50 worth of Shares under the SPP, without incurring any brokerage or commission, at a price of A$0.55 per Share. This is the same price as the price paid by institutional investors under the recent placement announced on 7th December 2009 ("**Placement**"), and represents a discount of:

- 12% to the closing price of Nanosonics Shares on the Australian Securities Exchange ("**ASX**") on 4th December 2009; and
- 11.6% to the volume weighted average trading price of Shares on ASX during the 5 trading days up to 4th December 2009.

Funds raised by the SPP will be used to supplement the funds raised from the Placement in order to:

- enable Nanosonics to accelerate the roll-out of its flagship product, the Trophon EPR;
- provide capital to evaluate and progress the development of other products with significant commercial opportunity that leverage the core technology platform; and
- facilitate Nanosonics relocation to larger premises in order to support growth.

If you currently hold an unmarketable parcel of Shares (being less than A$500 worth of Shares), participation in the SPP may enable you to increase your shareholdings to a marketable parcel.

The Share Purchase Plan is not underwritten.

Participation in the Share Purchase Plan is optional

Nanosonics Limited ABN 11 095 076 896 Unit 24 566 Gardeners Road Alexandria NSW 2015 Australia
Tel: +61 2 8063 1600 Fax: +61 2 9317 5010 Email: info@nanosonics.com.au w: www.nanosonics.com.au

Participation in the Share Purchase Plan is only open to Eligible Shareholders and participation is optional.

The offer to acquire Shares under the SPP is not a recommendation. If you are in doubt about the offer, whether you should participate in the SPP or how participation will affect you (particularly given the recent volatility in financial markets), you should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept the offer.

The offer under the Share Purchase Plan is non-renounceable. This means that you cannot transfer your right to subscribe for Shares under the SPP to anyone else.

How Much Can You Invest?

As an Eligible Shareholder, you are entitled to subscribe for Shares up to a maximum value of A$4,999.50.

You may select only 1 of the following alternatives to subscribe for Shares under the Share Purchase Plan:

	Dollar Value of Shares	Number of Shares
Offer A	A$2,000.35	3,637
Offer B	A$3,500.20	6,364
Offer C	A$4,999.50	9,090

Subscription Price

The subscription price for Shares under the SPP is A$0.55 per Share (**"Subscription Price"**).

The market price of Shares in Nanosonics may rise or fall between the date of the offer to acquire Shares under the SPP and the date that the Shares are issued to you under the SPP. This means that the Subscription Price you pay for each Share pursuant to this offer under the SPP may be either higher or lower than the market price of Shares at the time the Shares are issued to you under the SPP.

We recommend that you monitor Share price movements prior to applying for Shares under the SPP. Nanosonics' Share price can be found on the ASX website at www.asx.com.au (ASX code: NAN) and in the financial pages of major Australian metropolitan newspapers.

Closing Date

The closing date for receipt of applications is 5.00pm (Sydney Time) on Friday, 15th January 2010.

How Many Shares Will You Receive?

The number of Shares that will be issued to you will depend on the amount of your application monies divided by A$0.55 (A$2,000.35 = 3,637 Shares, A$3,500.20 = 6,364 Shares or A$4,999.50 = 9,090 Shares), subject to any scale back applied by Nanosonics and the terms and conditions of this Share Purchase Plan.

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Nanosonics reserves the absolute discretion regarding the amount raised under the SPP (including to cap the amount raised under the SPP) and the exercise of its right to scale back applications. In the event that Nanosonics determines to cap the amount raised under the SPP (including in circumstances where it has received applications from Eligible Shareholders for more than such capped amount), the number of Shares that you receive may be significantly less than the number of Shares you applied for under the SPP.

Should a scale back apply, you may be allocated Shares to a value that is less than the parcel of Shares you applied for, in which case the difference will be refunded to you.

How Do You Apply For Shares Under the Share Purchase Plan?

To apply for Shares under the Share Purchase Plan, you must:

1. carefully read the terms and conditions of the SPP (refer to Annexure “A”); and
2. either:
   - (a) complete the enclosed Application Form in accordance with the instructions on the Application Form and return it (together with a cheque made payable to "Nanosonics Limited – SPP A/C" and crossed "Not Negotiable") to Nanosonics’ Share Registry in the envelope provided (New Zealand shareholders will need to affix the appropriate postage stamp); or
   - (b) Eligible Shareholders with an Australian bank account can participate using BPAY (refer to the reverse of the enclosed Application Form for further details).

Application Forms must be received by Nanosonics’ Share Registry by no later than 5:00pm (Sydney time) on Friday, 15th January 2010.

If you are unsure about any aspect of this offer, Nanosonics recommends you seek professional advice.

Please contact the Company Secretary, Chris Grundy, on 61-2-8063 1600 if you have any queries in relation to the offer or how to participate in the SPP.

Yours sincerely,

David Radford

Director and CEO

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Annexure "A"

Terms and Conditions of the Share Purchase Plan of Nanosonics Limited

This document is dated 15th December 2009.

IMPORTANT NOTICE
THIS IS AN IMPORTANT DOCUMENT. Please read it carefully before making an investment in relation to the SPP. The offer to acquire Shares under the SPP is not a recommendation to purchase additional Shares. If you apply to participate in the SPP you are accepting the risk that it is possible that, up to or after the Allotment Date, you may be able to buy Shares at a lower price than the issue price under the SPP. This document does not constitute investment or financial product advice and has been prepared without taking into account your individual investment objectives, financial situation or particular needs. If you are in any doubt about the action you should take in respect of the SPP, please consult your financial, taxation or other adviser accordingly. These materials do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the "United States" or to, or for the account or benefit of, any "U.S. Person" (as those terms are defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")). The Shares have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration or in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Purpose

The purpose of Nanosonics Limited's ("**Nanosonics**" or "**Company**") share purchase plan (the "**Share Purchase Plan**" or "**SPP**") is to offer eligible shareholders of Nanosonics the opportunity to acquire additional fully paid ordinary shares in Nanosonics ("**Shares**") without incurring any brokerage costs.

Nanosonics reserves the absolute discretion regarding the amount raised under the SPP (including to cap the amount raised under the SPP) and the exercise of its right to scale back applications. For further details on Nanosonics' right to scale back applications, please refer to the section below titled "Applications may be scaled back".

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SPP Key Dates

Event	Date
Record Date	9th December 2009
SPP Opening Date	15th December 2009
SPP Closing Date	5pm on 15th January 2010
Allotment Date	21st January 2010
Trading Date	25th January 2010
Dispatch of Holding Statements	25th January 2010

Shareholders eligible to participate

All persons registered as holders of fully paid ordinary shares in Nanosonics ("Shares") as at 5:00pm (Sydney Time) on 9th December 2009 (**"Record Date"**) with a registered address in Australia or New Zealand (**"Eligible Shareholders"**) may participate in the SPP.

Nanosonics has determined that it is not practical for holders of Shares with addresses on Nanosonics' Share register in other jurisdictions to participate in the SPP. To the extent that you hold Shares on behalf of another person resident outside of Australia or New Zealand, it is your responsibility to ensure that participation complies with all applicable foreign laws.

The Shares to be issued under the SPP have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States. In order to comply with relevant securities laws, the Shares to be issued under the SPP may not be offered to shareholders located in the United States or to shareholders who are, or who are acting for the account or benefit of, U.S. Persons.

Because of these legal restrictions, you must not send copies of this document or any other material relating to the SPP to any person resident in the United States or who is, or is acting for the account or benefit of, U.S. Persons. Consistent with the warranties contained in this document and the Application Form included with this document, you may not submit any completed Application Forms for any person resident in the United States, or who is, or is acting for the account or benefit of, U.S. Persons. Failure to comply with these restrictions may result in violations of applicable securities laws.

Participation is optional

Participation in the SPP is, subject to the eligibility criteria set out above, entirely optional and is subject to these terms and conditions. Offers made under the SPP are not renounceable (ie. Eligible Shareholders may not transfer their rights to any Shares offered under the SPP). The offer to acquire Shares under the SPP is not a recommendation. If an Eligible Shareholder does not wish to participate in the SPP, they do not need to do anything.

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Issue Price of Shares

The price of Shares to be issued under the SPP is A$0.55 per Share. This is the same price paid by institutional investors under the recent placement announced on 7th December 2009 ("**Placement**").

You should note that Nanosonics' Share price may rise or fall between the date of the offer under the SPP and the date when Shares are allotted and issued to you under the SPP. This means that the price you pay per Share pursuant to the SPP may be either higher or lower than the Nanosonics' Share price at the date of offer under the SPP and the date when Shares are allotted and issued to you under the SPP.

Nanosonics' recommends that you monitor the price of Shares, which can be found on the ASX website at www.asx.com.au (ASX code: NAN) and in the financial pages of major Australian metropolitan newspapers.

How much can you invest?

Subject to the terms applicable to custodians, trustees and nominees outlined below, under the SPP, you may subscribe for A$2,000.35, A$3,500.20 or A$4,999.50 worth of Shares. This limitation applies even if you receive more than one Application Form or if you hold Shares in more than one capacity, e.g. if you are both a sole and joint holder of Shares. Please refer to the information in the table below.

Single Holders	If you are the only registered holder of a holding of Shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply for up to a maximum of A$4,999.50 worth of Shares in total.
Joint Holders	If you are recorded with one or more other persons as the joint holder of a holding of Nanosonics shares, that joint holding is considered to be a single registered holding for the purpose of the SPP, and the joint holders are entitled to participate in the SPP in respect of that single holding only. If the same joint holders receive more than one offer under the SPP due to multiple registered holdings, the joint holders may only apply for up to a maximum of A$4,999.50 worth of Shares in total.
Custodians, Trustees and Nominees	If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] (**"Custodian"**) and hold Shares on behalf of one or more persons (each a **"Participating Beneficiary"**), you may apply for up to a maximum of A$4,999.50 worth of Shares for each Participating Beneficiary, subject to providing a notice in writing to Nanosonics (**"Custodian Certificate"**) certifying the following: (a) That you hold Shares on behalf of Participating Beneficiaries who have instructed you to apply for the Shares on their behalf under the SPP; (b) The number of Participating Beneficiaries; (c) The name and address of each Participating Beneficiary; (d) The number of Shares in the class that the Custodian holds on behalf of each Participating Beneficiary;

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	(e) The number or dollar amount of Shares which each Participating Beneficiary has instructed you to apply for on their behalf; (f) That there are no Participating Beneficiaries in respect of which the total of the application price exceeds A$4,999.50 worth of Shares, calculated by reference to Shares applied for by you as Custodian on their behalf under: • the SPP; and • any other Shares issued to you as Custodian in the 12 months before your application under an arrangement similar to the SPP, in each case, as a result of an instruction given by them to you as Custodian to apply for Shares on their behalf. For the purposes of ASIC Class Order [CO 09/425] you are a “custodian” if you are a registered holder that: (a) Holds an Australian financial services license that: • covers the provisions of a “custodial or depository service” (as defined in section 766E of the Corporations Act); or • includes a condition requiring the holder to comply with ASIC Class Order [CO 02/294], (b) Is exempt under: • Paragraph 7.6.01(1)k of the Corporations Regulations 2001 (Cth); or • Under ASIC Class Order [CO 05/1270] to the extent that it related to ASIC Class Order [CO 03/184], from the requirement to hold an Australian financial services license for the provision of a custodial or depository service. In particular, NAN Employee Share Plan Managers Pty Ltd, which is the plan trustee ("**Plan Trustee**") under the Nanosonics Deferred Employee Share Plan ("**DESP**") will be regarded as a Custodian under the SPP on behalf of participants in the DESP, who will be regarded as a Participating Beneficiary for the purposes of the SPP. If you are such a participant in the DESP, the Plan Trustee will be seeking instructions from you as to whether you wish to participate in the SPP. However, if you also hold Shares in your own name or jointly with another person, the rules for Single Holders (above) apply, so that you will not be able whether alone, jointly or through the Custodian apply for more than a maximum of A$4,999.50 of Shares in total. If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for Single Holder (above) apply. Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Company Secretary on (02) 8063 1600 (within Australia) or +61 2 8063 1600 (from outside Australia) between 8.30am and 5.00pm Sydney time Monday to Friday.

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How to apply

The Share Purchase Plan opens on Tuesday, 15th December 2009. If you would like to apply for Shares under the Share Purchase Plan, you can either:

(a) complete the enclosed Application Form and return it together with your cheque, bank draft or money order made payable to "Nanosonics Limited – SPP A/C" drawn on an Australian bank and in Australia dollars for the correct amount, in the enclosed reply-paid envelope (New Zealand shareholders will need to affix the appropriate postage stamp) so that it is received by Nanosonics' Share Registry prior to the close of the offer at 5.00pm Sydney time on 15th January 2010 at:

Nanosonics Limited
Computershare Investor Services Limited
Locked Box 2508
PERTH WA 6001
Australia

Or

(b) make a BPAY payment by using the personalised reference number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY you do not need to return your Application Form (Note: only Eligible Shareholders with an Australian bank account are able to make a payment using BPAY.) Your payment must be received by Nanosonics' Share Registry no later than 5.00pm Sydney time on 15th January 2010.

Do not forward cash. Receipts for payment will not be issued. Nanosonics reserves the right not to accept BPAY payments received after 3.00pm (Sydney time) or Application Forms received after 5.00pm (Sydney time) on 15th January 2009.

Applications may only be made for parcels of Shares in the amounts designated on the Application Form. If the amount of the payment tendered with your Application Form or your BPAY payment is:

(a) Less than A$2,000.35 – Nanosonics will not allot any Shares to you and will refund your application money to you;
(b) Greater than A$4,999.50 – subject to scale back and the terms of the SPP, Nanosonics will allot A$4,999.50 of Shares to you and will refund the excess application money to you; or
(c) An amount between A$2,000.35 and A$4,999.50 that is not the Nanosonics designated amounts – subject to scale back and the terms of the SPP, Nanosonics will allot to you the number of Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your cheque or BPAY payment, and will refund the excess application money to you.

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If your Application Form is incomplete, contains errors or is otherwise invalid or defective, the Company may, in its sole discretion, accept, reject, correct or amend your application, issue such number of Shares as it may determine, refund your application money or take any combination of these actions. Any refund will be paid to you shortly after the allotment of Shares under the SPP.

Application Forms and BPAY payments under the SPP may not be withdrawn once they have been received by Nanosonics or Nanosonics' Share Registry. No interest will be payable on application money held by Nanosonics. Please read the enclosed Application Form for further details of how to apply for Shares under the SPP.

Applications may be scaled back

Nanosonics reserves an absolute discretion regarding the amount raised under the SPP (including to cap the amount raised under the SPP) and exercise of its right to scale back applications (including if the Company is not satisfied that a certification made by you is true, complete and not misleading). In the event that Nanosonics determines to cap the amount raised under the SPP (including in circumstances where it has received applications from Eligible Shareholders for more than such capped amount), the number of Shares that you receive may be significantly less than the number of Shares you applied for under the SPP. If there is a scale back, the Company may in its absolute discretion determine to apply the scale back to the extent and in the manner that it sees fit.

If there is a scale back, you may not receive the full parcel of Shares for which you have applied. If a scale back produces a fractional number when applied to your parcel, the number of Shares you will be allotted will be rounded down to the nearest whole number of Shares.

In the event of a scale back, the difference between the value of the Shares allotted (calculated at the offer price of A$0.55 per Share) and the application money received will be refunded to you by Nanosonics without interest, following allotment. Amounts will be refunded by direct credit to your nominated account for the payment of Nanosonics dividends or by cheque mailed to your address as shown on Nanosonics' Share register in the days following allotment.

Certification by applicant

By completing and submitting the Application Form or Custodian Certificate (together with a cheque, bank draft or money order) or making a BPAY payment, you certify, acknowledge, represent and warrant that:

(a) You have read and accepted the terms and conditions of the SPP in this booklet in full;
(b) You declare that all details and statements in your application are true and complete and not misleading;
(c) Your application, on the terms and conditions of the SPP set out in this booklet (including the Application Form and the Custodian Certificate), will be irrevocable and unconditional (that is, it cannot be withdrawn);
(d) The aggregate of the application price paid by you for the following does not exceed A$4,999.50:
    I. The Shares the subject of such Application Form or BPAY payment; and

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II. Any other Shares applied by you under the SPP or any similar arrangement operated by Nanosonics in the 12 months prior to the date of submission of the Application Form or BPAY payment; and
III. Any other Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
IV. Any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP;

(e) You are an Eligible Shareholder;
(f) You acknowledge that the Shares have not, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption form, or a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;
(g) You have not and will not send any materials relating to the SPP to any person in the United States or that is, or is acting for the benefit of, a U.S. Person;
(h) You represent that you are in compliance with all relevant laws and regulations (including, without limitation, that and you are not in possession of any "inside information" as defined in section 1042A of the Corporations Act and are in compliance with section 1043A of the Corporations Act (insider trading) and laws and regulations designed to restrict terrorism financing and/or money laundering);
(i) You represent that you are not a “designated person” or “designated entity” (or other like term) for the purpose of any domestic or international law or regulation implementing United Nations sanctions;
(j) You accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on Nanosonics' Share Registry;
(k) You are responsible for any dishonour fees or other costs the Company may incur in presenting a cheque for payment which is dishonoured;
(l) You agree to be bound by the provisions of the constitution of the Company as amended from time to time;
(m) You authorise the Company, its officers and representatives to do anything on your behalf necessary for Shares to be issued to you in accordance with these terms and conditions;
(n) You authorise the Company (and its officers and agents) to correct minor and easily rectified errors in, or omissions from, your application and to complete the application by the insertion of any missing minor detail; and
(o) Nanosonics may at any time determine that your application is valid in accordance with these terms and conditions, even if the application is incomplete, contains errors or is otherwise defective.

The A$4,999.50 limit applies irrespective of the number of Shares you hold on the Record Date. Nanosonics reserves the right to reject any application for Shares under the SPP (in whole or in part), including where it considers that the application (whether alone or in conjunction with other applications) does not comply with these or any other legal requirements.

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Issue of Shares

Shares to be issued under the SPP are expected to be issued on 21st January 2010 and commence trading on ASX on or about 25th January 2010.

Nanosonics will, promptly after issue of Shares under the SPP, make application for those Shares to be admitted to quotation on ASX. You should confirm your holding before trading in any Share you believe you have been allotted to you under the SPP. In advance of receiving your written confirmation, you can check the number of Shares issued to you under the SPP by using the Computershare Investor Centre at http://www.investorcentre.com and following the security access instructions.

Shares issued under the SPP will rank equally in all respects with, and therefore carry the same voting rights and other entitlements as, all other fully paid ordinary shares in Nanosonics from the date of issue.

Shareholding statements will be issued in respect of all Shares issued under the SPP on or about 25th January 2010.

Cost of Participation

No brokerage, commission, or other transaction costs will be payable by participants in respect of the application for, and issue of, Shares under the SPP.

Class Order [CO 09/425] Compliance

The offer of Shares under the SPP is made in accordance with the requirements of ASIC Class Order [CO 09/425] and any amending or further applicable modifications of the Corporations Act by ASIC. ASIC Class Order [CO 09/245] grants relief from the requirements to prepare a prospectus for the offer of shares under the SPP.

Nanosonics has obtained relief from the requirement in paragraph 8 of ASIC Class Order [CO 09/245], which might otherwise be considered to require Eligible Shareholders to provide Nanosonics with a certificate in written form, where the Eligible Shareholder makes a payment using BPAY.

Nanosonics has also obtained conditional relief to permit Custodians to participate in the SPP in respect of certain beneficiaries referred to in the relief as "IDPS clients". Details of this conditional relief will be made available to Custodians upon request. If you believe you are beneficially entitled to Shares which are held through an IDPS (or an investor directed portfolio service) and wish to determine whether or not you may participate in the SPP, you should contact your relevant operator, nominee, broker or financial advisor.

Binding Terms

Once submitted, an application for Shares under the SPP cannot be withdrawn or altered.

By accepting the offer to purchase Shares under the SPP, you agree to be bound by these terms and conditions and Nanosonics' constitution. Nanosonics reserves the right to waive strict compliance with any provision of these terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all shareholders even where Nanosonics does not notify you of that event.

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Modification and Termination of the Share Purchase Plan

Nanosonics may modify or terminate the SPP at any time before allotment of the Shares under the SPP. If Nanosonics does this, it will notify the ASX. The omission to give notice of any modification to, or termination of, the SPP or the failure of ASX to receive such notice, will not invalidate the modification or termination.

Without limiting the above, Nanosonics may issue to any person fewer Shares than the person applied for under the SPP (including a Custodian applying on behalf of a beneficiary) if Nanosonics' believes that the issue of the Shares applied for would contravene any applicable law or the Listing Rules of ASX.

Dispute Resolution

Nanosonics may settle in any manner it thinks fit any difficulties, anomalies or disputes which may arise in connection with or by reason for the operation of the SPP whether generally or in relation to any participant, application for Shares and the decision of Nanosonics will be conclusive and binding on all shareholders and other persons to whom that determination related.

Nanosonics reserves the right to waive strict compliance with any provision of these conditions. The powers of Nanosonics under these conditions may be exercise by the Directors of Nanosonics or any delegate of the Directors of Nanosonics.

Governing Law

This offer is governed by the law in force in New South Wales. By accepting this offer, you submit to the non exclusive jurisdiction of the courts of New South Wales.

Underwriting

The Share Purchase Plan will not be underwritten.

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nanosonics Limited

ABN 11 095 076 896

Computershare

Please return completed form to:
Computershare Investor Services Pty Limited
Locked Bag 2508 Perth
Western Australia 6001 Australia
Enquiries (within Australia) 1300 732 074
(outside Australia) 61 3 9415 4645
web.queries@computershare.com.au
www.computershare.com

000001
000
SAM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)

I 1234567890 IND

For your security keep your SRN/HIN confidential.

Entitlement Number:
Record Date: 9 December 2009
Offer Opens: 15 December 2009
Offer Closes: 5.00pm Sydney time on 15 January 2010
Price per Security: A$0.55

* Nanosonics Limited reserves the right to vary these dates by announcement to the ASX.

SHARE PURCHASE PLAN APPLICATION FORM

This personalised form can only be used in relation to the securityholding represented by the SRN or HIN printed above. This is an important document and requires your immediate attention. If you are in doubt about how to deal with this document, please consult your financial, taxation or other professional adviser.

Pursuant to the terms and conditions of the Nanosonics Limited Share Purchase Plan ("SPP") contained in the letter to Nanosonics Limited shareholders dated 15 December 2009, Nanosonics Limited is offering eligible shareholders the opportunity to purchase fully paid ordinary shares ("Shares") up to a maximum value of A$4999.50 per eligible shareholder, subject to a minimum application of A$2,000.35.

If you do not wish to purchase additional Shares under the SPP there is no need to take any action.

By making a BPAY® payment or completing and returning the Acceptance Slip, you agree to be bound by the Constitution of Nanosonics Limited and agree that the making of a BPAY® payment or return of the Acceptance Slip constitutes an irrevocable offer to you by Nanosonics Limited to subscribe for Shares on the terms and conditions of the SPP. In addition, by making a BPAY® payment or returning the Acceptance Slip below you certify that:

- the aggregate of the application price paid by you for the Shares the subject of a BPAY® payment or the Acceptance Slip below and any other Shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip below, does not exceed $4999.50; and
- each of the matters identified as deemed certifications given by an eligible shareholder as set out in the terms and conditions of the SPP.

METHOD OF ACCEPTANCE

You can apply for Shares and make your payment utilising one of the payment options detailed overleaf.

Nanosonics Limited may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. Any determinations by Nanosonics Limited will be conclusive and binding on all eligible shareholders and other persons to whom the determination relates. Nanosonics Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible shareholders even where Nanosonics Limited does not notify you of that event. Applications and payments may not be withdrawn once they have been received by Nanosonics Limited.

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▼ **PLEASE DETACH ACCEPTANCE SLIP HERE** ▼

Paperclip cheque(s) here. Do not staple.

nanosonics Limited

ABN 11 095 076 896

Please see overleaf for Payment Options

BPAY

Biller Code: 123456
Ref No: 1234 5678 9012 3456 78

I/We wish to purchase:

☐ 3,637 Shares or A$2,000.35 **or** ☐ 6,364 Shares or A$3,500.20 **or** ☐ 9,090 Shares or A$4999.50

* These amounts may be subject to scale-back in accordance with the terms of the SPP.

If you are applying as a custodian or a nominee on behalf of more than one beneficiary please see instructions overleaf.

Payment Details – Please note that funds are unable to be directly debited from your bank account

Drawer	Cheque number	BSB number	Account number	Cheque amount
				A$

Make your cheque or bank draft payable to Nanosonics Solutions Limited – SPP A/C

Contact Details

Please provide your contact details in case we need to speak to you about this slip

Name of contact person

Contact person's daytime telephone number

( )

1234567890123456+1234567890-1234+12

How to accept the Share Purchase Plan

Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the Nanosonics' Share registry has a query regarding the Acceptance Slip below.

Payment Details

You can apply for Shares by utilising the payment options detailed below. There is no requirement to return the Acceptance Slip below if you are paying by making a BPAY® payment.

By making a BPAY® payment or by returning an Acceptance Slip together with a cheque, bank draft or money order, you confirm that you agree to all of the terms and conditions of the Share Purchase Plan as enclosed with this Application Form.

Option 1: Paying By BPAY®

If you are applying for Shares and your payment is being made by BPAY®, you do not need to return the Acceptance Slip. Your payment must be received by no later than 5.00pm Sydney time on 15 January 2010. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited ("CIS") Perth nor Nanosonics Limited accepts any responsibility for loss incurred through incorrectly completed BPAY® payments. It is the responsibility of the Applicant to ensure that funds submitted through BPAY® are received by this time.

Option 2: Paying By Cheque, Bank Draft or Money Order

If you are paying by cheque, bank draft or money order, the Acceptance Slip must be received by CIS by no later than 5.00pm Sydney time on 15 January 2010. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia (New Zealand shareholders will need to affix the appropriate postage). Return the Acceptance Slip with cheque, bank draft or money order attached.

Your cheque, bank draft or money order payable to "Nanosonics Solutions Limited - SPP A/C" in Australian currency and crossed "Not Negotiable". Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your Application being rejected. Complete cheque details in the boxes provided. **Please note that funds are unable to be directly debited from your bank account.**

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Acceptance Slip where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.

Neither CIS nor the Company accepts any responsibility if you lodge the Acceptance Slip at any other address or by any other means.

Custodians

If you are a custodian within the definition in ASIC Class Order [CO 09/425] you must submit a custodian certificate to Nanosonics Limited. If you did not receive a custodian certificate, please contact CIS. If you need further information to determine whether you are a custodian, please refer to the terms and conditions of the SPP which accompanied this form or contact CIS.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001 (Cth), you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications.
You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

If you have any enquiries concerning this Acceptance Slip or the offer of Shares under the SPP, please contact CIS on 1300 732 074.

This Acceptance Slip may not be used to notify your change of address. For information, please contact CIS on 1300 732 074 or visit www.computershare.com (certificated/issuer sponsored holders only).

CHESS holders must contact their Controlling Participant to notify a change of address

SPRB

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Payment Options:

Biller Code: 123456
Ref No: 1234 5678 9012 3456 78

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au

By Mail
Nanosonics Limited
Computershare Investor Services Pty Limited
Locked Bag 2508
Perth WA 6001
AUSTRALIA

Entitlement Number: <xxxxxxxxxx>

SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000