



28 December 2016

ASX announcement

Share Placement Completion and Appendix 3B

Optiscan Imaging Limited (Optiscan or the Company) is pleased to announce that it has completed the Placement of new fully paid ordinary shares pursuant to the Company's ASX announcement dated 21 December 2016. A total of 38.65 million new fully paid ordinary shares have been issued at an issue price of \$0.05 (5 cents) per share, raising approximately \$1.93 million (**Placement**).

An Appendix 3B relating to the issue of new shares is attached to this announcement.

Additional Disclosures under ASX LR3.10.5A

The Company provides the below additional disclosure in relation to ASX Listing Rules 7.1A4(b) and 3.10.5A following the issue of 38,650,000 fully paid ordinary shares on this day:

(a) Details of the dilution to existing holders of ordinary securities caused by the issue:

The below outlines the dilution caused by the allotment and issue of 33,542,880 fully paid ordinary shares ('FPOs') in accordance with ASX Listing Rule 7.1A:

- Number of FPOs on issue prior to the Placement was 335,428,800 FPOs.
- Number of FPOs on issue post the allotment of FPOs in accordance with ASX Listing Rule 7.1A is 368,971,680 FPOs.
- Number of FPOs on issue post the allotment of FPOs in accordance with ASX Listing Rule 7.1 is 374,078,800 FPOs
- Percentage of voting dilution post the issue in accordance with ASX Listing Rule 7.1A is 10.00%.

(b) In order for the Company to raise the funds required to carry out its objectives, the Company issued the relevant shares under ASX Listing Rule 7.1A. The Company believes that the Issue:

- was the most cost-efficient and expedient method available to it at the time;
- provided funding certainty;
- matched sophisticated investor enquiry; and
- achieved an appropriate pricing level under the Placement.

Phone (61 3) 9538 3333

Fax (61 3) 9562 7742

Website www.optiscan.com

PO Box 1066, Mt Waverley MDC VIC 3149 Australia

15-17 Normanby Rd, Notting Hill VIC 3168 Australia

(c) There were no underwriting arrangements for the Issue.

(d) Fees incurred for the issue in accordance with the ASX Listing Rule 7.1A are included in the Company's Cleansing Prospectus announced to ASX on this day.

About Optiscan

Optiscan is an Australian company that has developed and patented miniaturised confocal microscopes, and is a global leader in the development and application of microscopic imaging and related technologies for medical markets.

For and on behalf of Optiscan Imaging Limited.

Alan Hoffman
Chairman

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

OPTISCAN IMAGING LIMITED (ASX: OIL)

ABN

81 077 771 987

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
2	Number of *securities issued or to be issued (if known) or maximum number which may be issued	38,650,000 Fully Paid Ordinary Shares
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)	Fully Paid Ordinary Shares
4	Do the *securities rank equally in all respects from the *issue date with an existing *class of quoted *securities? If the additional *securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Equally with currently issued shares
5	Issue price or consideration	\$0.05 per share

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Funds raised from the Placement will be utilised in accordance with the Company's announcement dated 21 December 2016 and for working capital requirements.
6a	Is the entity an *eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the *securities the subject of this Appendix 3B</i> , and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	25 November 2016
6c	Number of *securities issued without security holder approval under rule 7.1	5,107,120 Fully Paid Ordinary Shares
6d	Number of *securities issued with security holder approval under rule 7.1A	33,542,880 Fully Paid Ordinary Shares
6e	Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of *securities issued under an exception in rule 7.2	Nil
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.	The 15 day VWAP as calculated in accordance with ASX LR 7.1.A.3 and issue price of at least 75% was \$0.043 (4.3 cents). The price was set on 21 December 2016 and the shares have been issued on 28 December 2016. The calculation of the 15 day VWAP was carried out by the Company.
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	See Annexure 1
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.	28 December 2016

	Number	+Class
8	374,078,800	Fully Paid Ordinary Shares (OIL)

	Number	+Class
9	3,000,000	Options exercisable at \$0.10 each on or before 12 June 2017.
	5,000,000	Options exercisable at \$0.025 each on or before 30 June 2018
	5,500,000	Options exercisable at \$0.025 each on or before 28 November 2019.
	4,000,000	Options exercisable at \$0.05 each on or before 28 November 2019.
	4,000,000	Options exercisable at \$0.075 each on or before 28 November 2019.
	1,500,000	Options exercisable at \$0.025 each on or before 28 May 2020.
	1,500,000	Options exercisable at \$0.05 each on or before 28 November 2020.
	1,500,000	Options exercisable at \$0.05 each on or before 28 May 2021.
	1,500,000	Options exercisable at \$0.05 each on or before 28 November 2021.

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

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 Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	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
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

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

* But excluding the options set out at item (b) of item 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
- 39 *Class of *securities for which quotation is sought
- 40 Do the *securities rank equally in all respects from the *issue date with an existing *class of quoted *securities?
- If the additional *securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another *security, clearly identify that other *security)

42 Number and ⁺class of all ⁺securities quoted on ASX
(including the ⁺securities in clause 38)

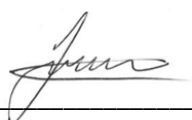
Number	⁺ Class
N/A	N/A

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:


Justin Mouchacca
Company Secretary

Date: 28 December 2016

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid *ordinary securities on issue 12 months before the *issue date or date of agreement to issue	221,823,882
Add the following: - Number of fully paid *ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid *ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid *ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	2,000,000 shares on 5 January 2016 30,980,000 shares on 6 July 2016 22,078,044 shares on 19 August 2016 34,546,874 shares on 8 September 2016 24,000,000 shares on 22 December 2016
Subtract the number of fully paid *ordinary securities cancelled during that 12 month period	Nil
“A”	335,428,800

Step 2: Calculate 15% of “A”	
“B”	0.15 [Note: this value cannot be changed]
Multiply “A” by 0.15	50,314,320

Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used

Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <i>Note:</i> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	5,107,120 shares the subject of this Appendix 3B
“C”	5,107,120

Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1

“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	50,314,320
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	5,107,120
Total [“A” x 0.15] – “C”	45,207,200 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	335,428,800
Step 2: Calculate 10% of “A”	
“D” <i>Note: this value cannot be changed</i>	0.10
Multiply “A” by 0.10	33,542,880
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	33,542,880 shares the subject of this Appendix 3B
“E”	33,542,880
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	33,542,880
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	33,542,880
Total [“A” x 0.10] – “E”	- <u>Note:</u> This is the remaining placement capacity under rule 7.1A