

R H I N O M E D

CHANGING THE WAY THE WORLD BREATHES

INVESTOR UPDATE - OCTOBER 2017

ASX: RNO

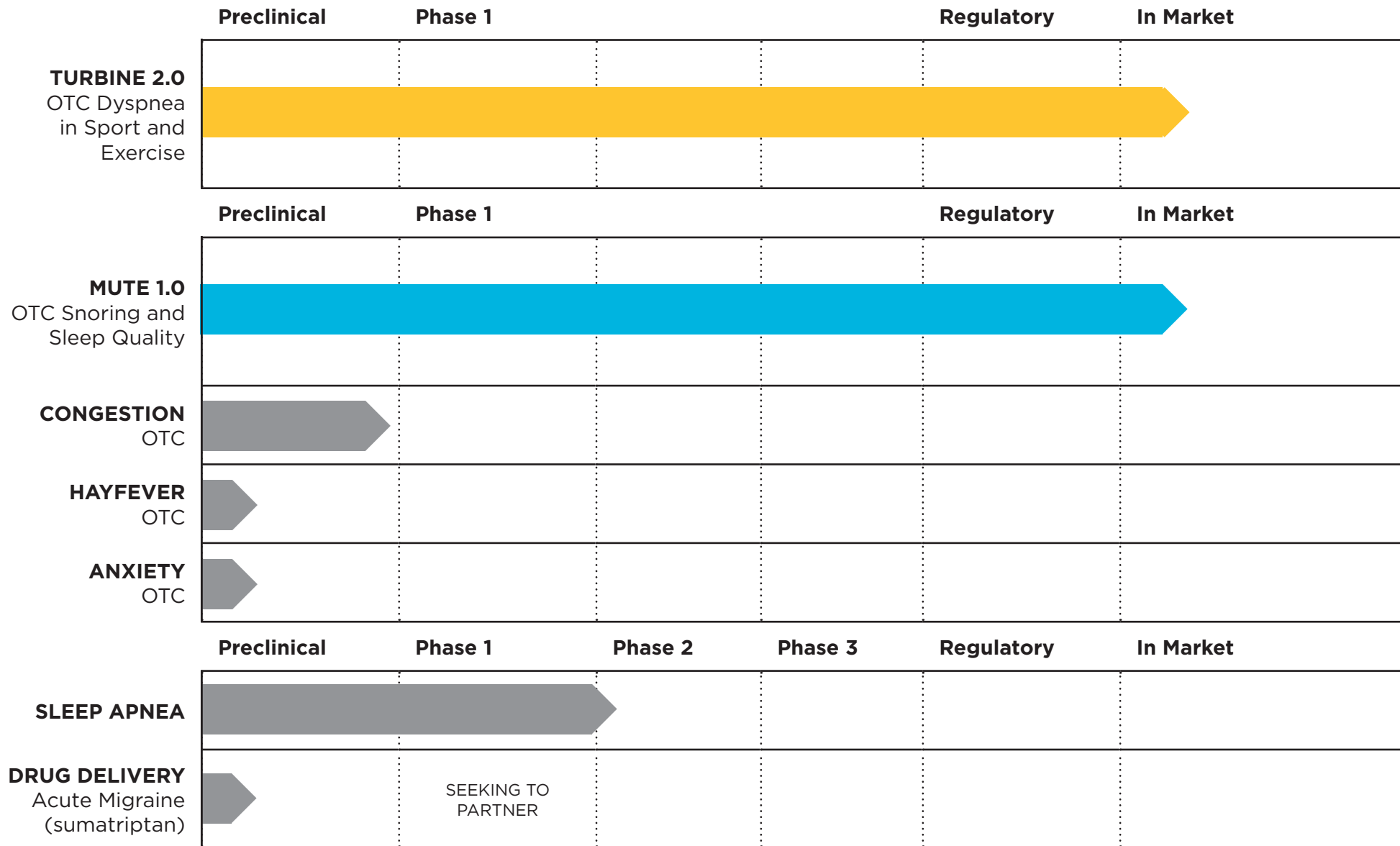
IMPORTANT NOTICE

This document contains certain forward-looking statements, relating to Rhinomed Limited's (Rhinomed) business which can be identified by the use of forward looking terminology such as "promising," "plans," "anticipated," "will," "project," "believe," "forecast," "expected," "estimated," "targeting," "aiming," "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of the company's technologies and products. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy any specific health authority and other health authorities requirements regarding any one or more product or technology nor can there any assurance that such products or technologies will be approved by any health authorities for sale in any markets or that they will reach any particular level of sales. In particular, managements expectations regarding the approval and commercialization of the technology could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, technology, financial result, and business prospects. Should one of more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. Rhinomed Is providing this information as of the date of this presentation and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.

WE HAVE DEVELOPED
AN ELEGANTLY DESIGNED AND
PATENTED NASAL TECHNOLOGY PLATFORM
THAT TARGETS THE ONE IN FOUR PEOPLE
WHO SUFFER FROM NASAL OBSTRUCTION

COMPELLING PIPELINE AND TECHNOLOGY PLATFORM

A unique and multi faceted nasal technology platform



THE RHINOMED INVESTMENT VALUE PROPOSITION

Positioned in the rapidly growing sleep and respiratory medicine markets, Rhinomed has achieved commercial validation and strong retail acceptance with global consumer health retailers.

1

EXCITING PLATFORM TECHNOLOGY

1. Two products already in market
2. Two products in development
3. Multiple next generation technology applications

2

COMPREHENSIVE IP PORTFOLIO

1. Over 60 patents covering multiple applications
2. 57 Design patents
3. Brands and trademarks

3

ESTABLISHED SCIENCE AND EXCITING NEXT GEN OSA PROGRAM

1. Leveraging existing research in role of the nose and respiration
2. Positive Phase 1 Trial results for Next Gen Obstructive Sleep Apnea Therapy

4

SIGNIFICANT OPPORTUNITY TO SCALE GLOBALLY

1. Already on shelf in over 7000 stores in Aust, UK, Canada and USA
2. Business development pipeline of 10,000+ stores in US alone
3. Opportunity for retail expansion in Europe and Asia.

5

CLEAR PATHWAY TO BREAK EVEN

1. Strong existing retail channels
2. Well established production and logistic network
3. Strong gross margins
4. Addressing needs of 90 million American snorers and the one in four people suffering from nasal obstruction

6

COMPELLING CONSUMER HEALTH BRANDS IN GROWING GLOBAL MARKETS

1. Turbine - global sport and exercise market
2. Mute - OTC consumer health and sleep markets
3. Emerging interest as companion therapy in existing sleep apnea market

*“I’m a huge fan of your product. It has changed my life!
I sleep like a baby and run like an iron man.”*

- Charles, Customer



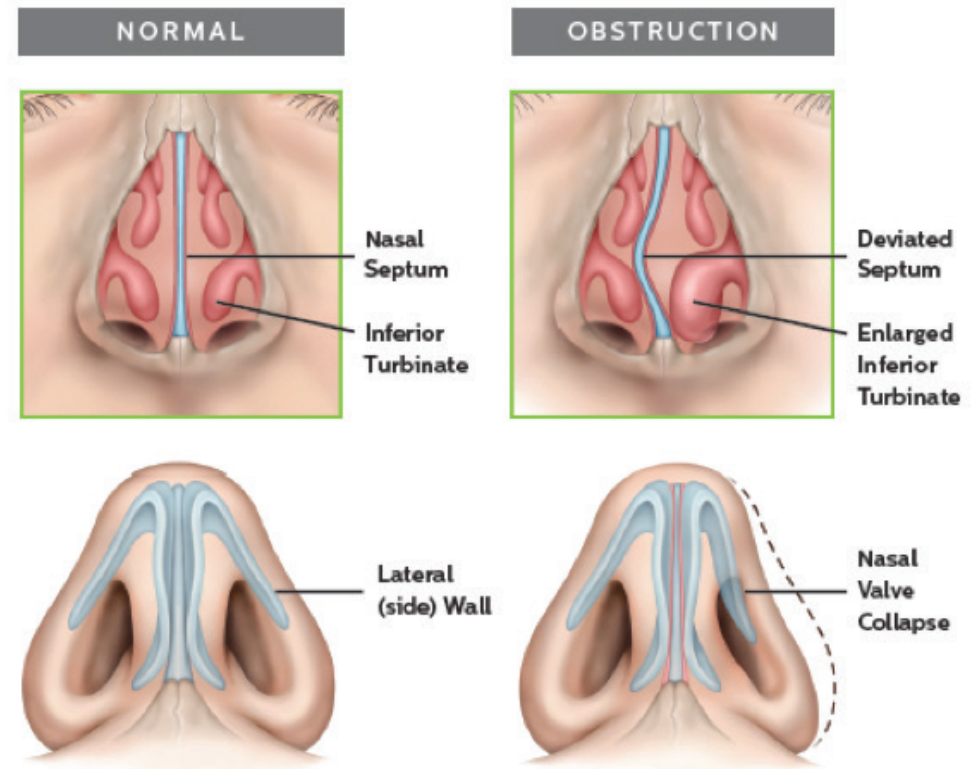
CHRIS FROOME

TOUR DE FRANCE WINNER
2013, 2015, 2016 & 2017

NASAL OBSTRUCTION – COMPROMISING SLEEP AND RESPIRATION

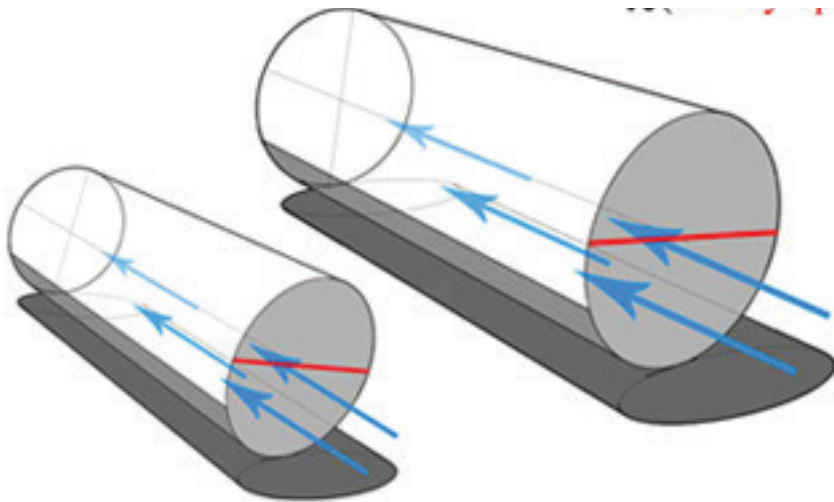
One in four people suffer from some form of nasal obstruction

- The nose performs at least 30 vitally important physiological activities
- The presence of nasal obstruction represents a severe compromise to normal respiratory activity and good health
- *“The case against mouth breathing is growing. The restoration of the nasal breathing route as early as possible is critical”#*
- *“Repeated awakening from constricted nasal airways stimulates the sympathetic nervous system which leads to systemic inflammation, endothelial dysfunction and other more serious conditions such as cardiovascular disease and neurocognitive disorders”**
- *“There is a strong relationship between nasal obstruction, mouth breathing, snoring and sleep apnea. People with nasal congestion due to allergy are almost twice as likely to have moderate to severe sleep disorders than those without nasal congestion”.+*



LEVERAGING NASAL PHYSIOLOGY AND PHYSICS TO ADDRESS OBSTRUCTION

- The diameter of your nose matters
- 50% of airway resistance occurs in the nose. A small change in the radius of the nose can dramatically impact the volume of air entering the airway.
- Poiseuille's Law - if the radius of the nose increases by 1, the volume of air traveling through the airway increases 16 times - to the power of 4.
- Mute and Turbine leverage Poiseuille's Law to deliver a significant improvement in nasal patency and efficacy



Poiseuille's Law

Q	Flow rate
P	Pressure
r	Radius
η	Fluid viscosity
l	Length of tubing

$$Q = \frac{\pi P r^4}{8 \eta l}$$

Proprietary ratchet mechanism that delivers perfect individualised fit gently expands the nostril delivering airflow to the power of 4



Dilates from the back of the nose minimising pressure on the septum

Designed to mold to the internal surface of the nostril

STRONG GLOBAL INTELLECTUAL PROPERTY AND REGULATORY APPROVALS

- Developed and secured Intellectual Property position - 60+ patents, (13 granted), 57 design patents, global brands and trademarks
- Achieved and secured regulatory and quality control registrations for both Mute and Turbine:
 - US - FDA Class I Medical Device
 - Europe - CE Mark Class I Medical Device
 - Australia - TGA Class I Medical Device
 - Canada - Canada Health Class I Medical Device
 - New Zealand - Medsafe Class I Medical Device
 - Taiwan FDA - Class 1 Medical Device



BUSINESS OVERVIEW

A FOCUS ON ONE OF THE FASTEST GROWING MARKETS IN HEALTH - SLEEP



Apple included a new 'blue light' function in their iPhone OS



Sleep is being picked up by mainstream media as a 'health story'



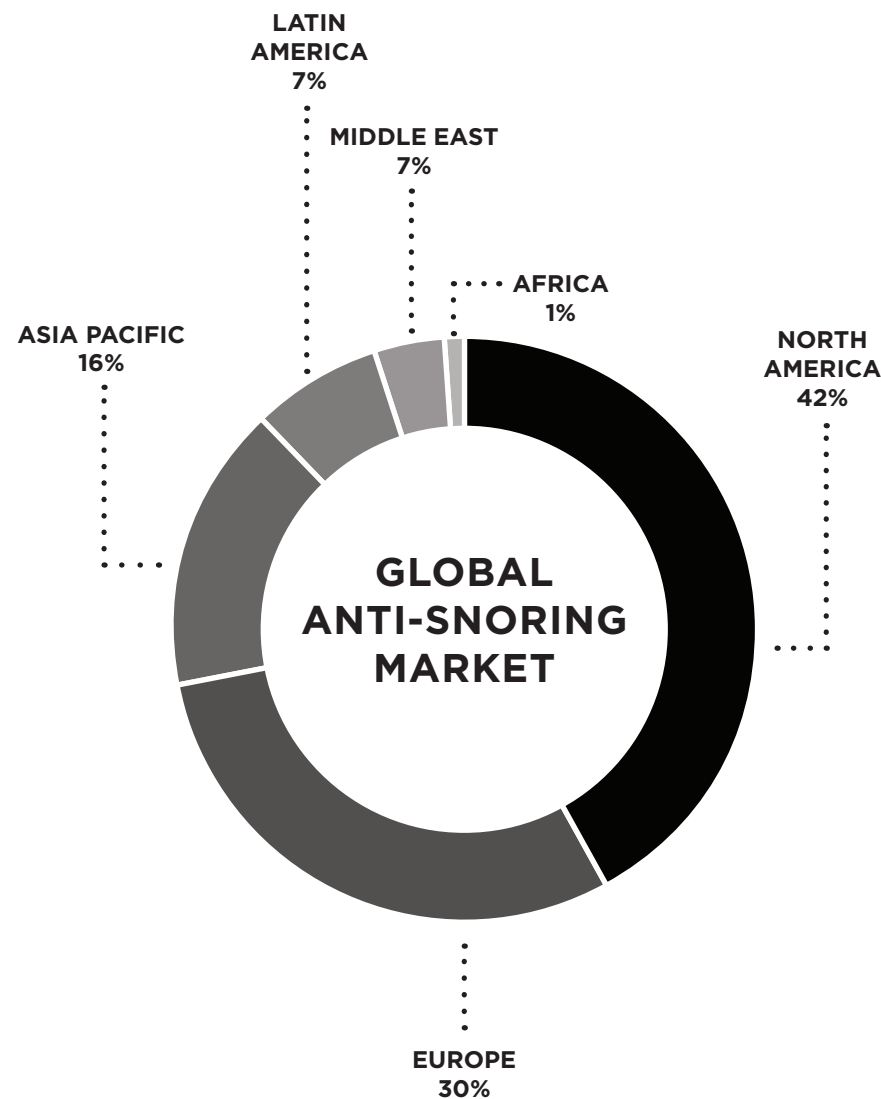
Sleep and fatigue has a major impact on economic productivity and workplace safety



Poor sleep and snoring emerging as a contributor to chronic disease and dementia

GLOBAL ANTI-SNORING & SLEEP APNEA DEVICES MARKET

- Market valued at US\$7 Billion in 2015
- The total over-the-counter market for sleep aids alone reached \$604 million in 2008, an increase of 9 percent over 2007 Packaged Facts
- Forecast to grow to US\$10 billion by 2020 at a CAGR of 6.4% from 2016 to 2020
- Market Drivers:
 - Increasing incidence of obesity.
 - High awareness of sleep apnea and snoring.
 - Link to cardiac health.
 - Growth of the sleep research and sleep diagnostics industry is anticipated to supplement the growth of both anti-snoring & sleep apnea market.



CATEGORY LEADING CONSUMER HEALTH BRANDS

- Comfortable, scientifically proven, disposable nasal dilator that improves airflow and reduces snoring
- Adjustable for each nostril to ensure ultimate comfort and fit
- Available in a trial pack (contains 3 different sizes) and three sizes (small, medium & large)
- Reusable up to 10 times, thus small, medium & large pack lasts 30 days
- RRP US\$24.95 delivering strong margins



GROWING CUSTOMER SUPPORT & ENGAGEMENT

I CAN BREATHE

By Mike April 22, 2017

I can breathe again, love this product as it gently opens nasal passages and preventing airway collapse, letting me BREATHE!!!

SO AWESOME!

By John M Langston March 31, 2016

These things work amazing. How I slept with these encouraged me to finally have my deviated septum repaired.

SO SIMPLE, WHY OH WHY DID IT TAKE ME...

By Ann June 16, 2017

So simple, why oh why did it take me so long to find these. I have tried everything short of a cpap machine. This actually works and is by far more comfortable than any mouthguard solution.

WOW

By Jon February 7, 2017

These are absolutely amazing. I have never been able to breathe from my nose the way I can while wearing this device. It literally feels like I got corrective nose surgery. They stay nice and secure while sleeping. For the price, it is amazing what this does for nose breathing, don't even notice them anymore, besides the ability to actually breathe from my nose for once. Highly recommend this

WORKS AMAZINGLY WELL!

By Linda K. Horton May 21, 2016

I have finally found a product that works! I used the strips for years but disliked that I would have an indentation every morning when I would take it off plus the fact that it sometimes take my skin off with it. Mute has been perfect!

GREAT FOR STUFFY NOSES!

By Imstillhere September 14, 2016

Great product! Much better than the tunnel products,

SNORING IS DOWN TO A RUMBLE...

By Mike T August 21, 2016

Snoring is down to a rumble, no stops in breathing, more rested, and my wife was able to ditch the ear plugs.

AIR!!!!!!

By David December 1, 2016

Why did I only discover this product now?!!!! As soon as I placed Mute in, I could breathe! I was amazed how much air I was taking in. It was super comfortable and didn't fall out when I was sleeping. I didn't know breathing could be so satisfying.

ESTABLISHED GLOBAL PRODUCTION AND LOGISTICS NETWORK



- Provides global logistics support from its Hong Kong hub
- Fulfillment to key US and European Distribution warehouses
- Provides direct to consumer fulfillment services



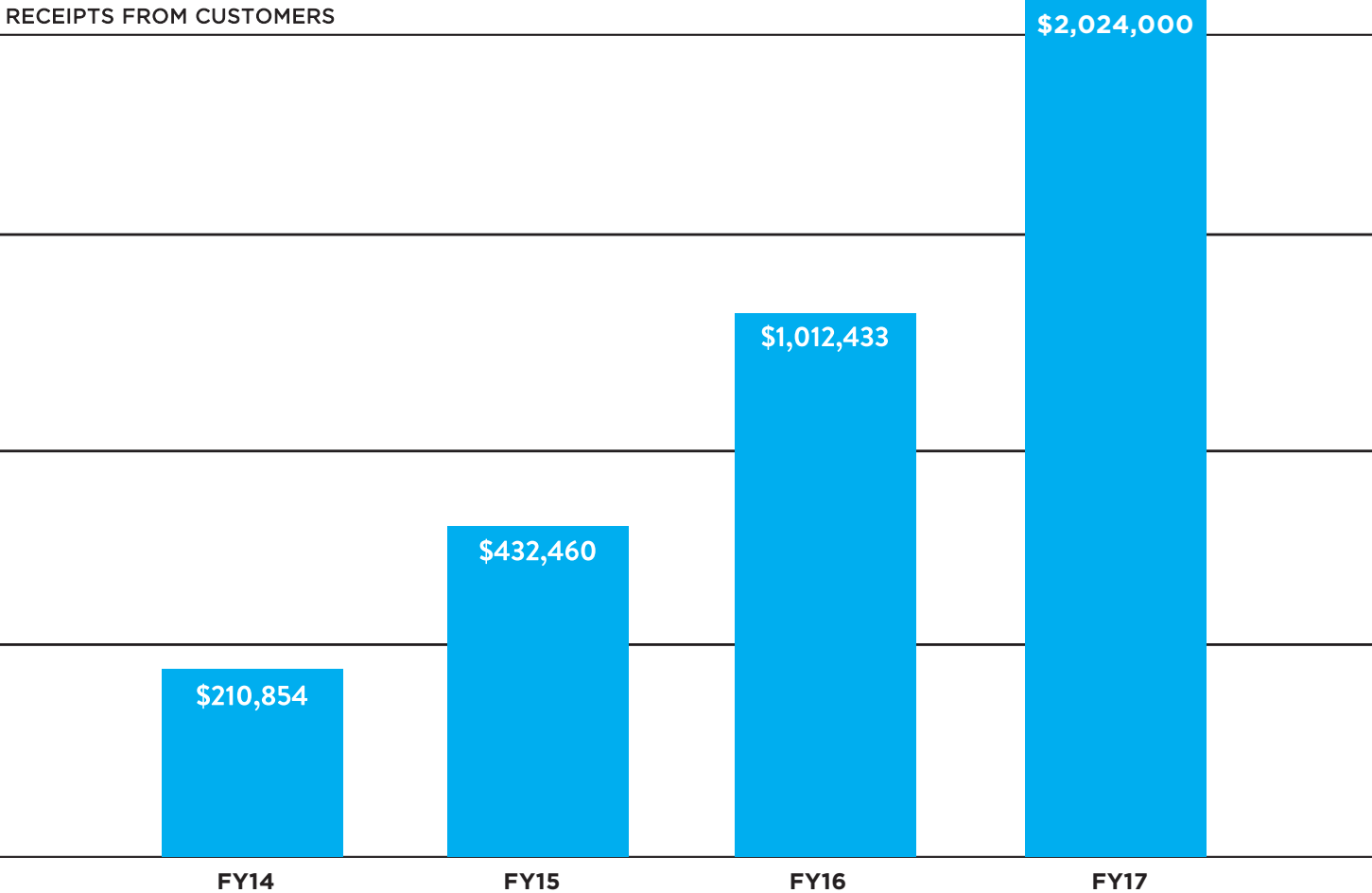
- Situated in Jiaotang, Gaoyao, Zhaoqing in Guangdong
- Certified ISO13485-2003 and QSR820 facility
- RNO has 5 dedicated tooling, production, assembly and packaging lines - production capacity of 3.9 million pack pa.



- Provides UK warehousing, customs and logistics support
- Distribution into Boots warehouses
- Provides direct to consumer fulfillment services for UK, IE and EU.

DELIVERING YEAR ON YEAR REVENUE GROWTH

- Steady growth in units shipped to customers
- Total units shipped FY17 YTD - approx. 150,000
- FY17 Revenue generated from installed store base of approximately 2500 stores
- Revenues lag store 'announcements' by up to 8 months



STRONG UNDERLYING BUSINESS GROWTH

- Initial focus on building significant global retail scale is beginning to drive growth
- Significant support and stocking by leading iconic pharmacy chains and wholesalers - accessible through 10,000+ stores globally
- Store numbers have more than doubled over the last 5 months
- Strong gross margins maintained during sell in process

Walgreens

GNC
LIVE WELL

 **BOC**
Member of The Linde Group


SIGMA

amazon

Boots

drugstore.com™
the uncommon drugstore

Vittoria

symbion 

PERFORMANCE
BICYCLE

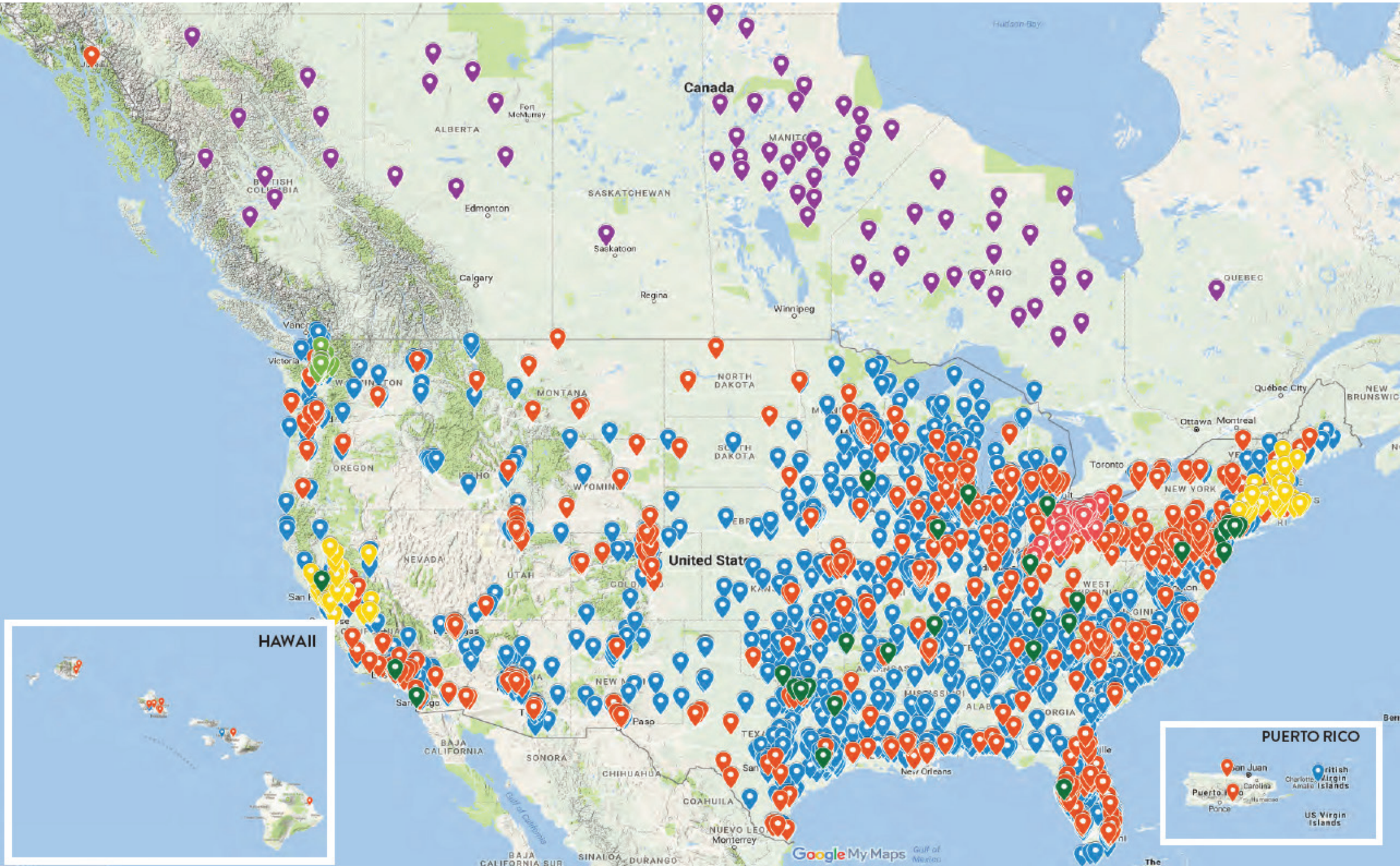
jet

CVS
pharmacy®

MMSI

McARTHUR
MEDICAL SALES INC.

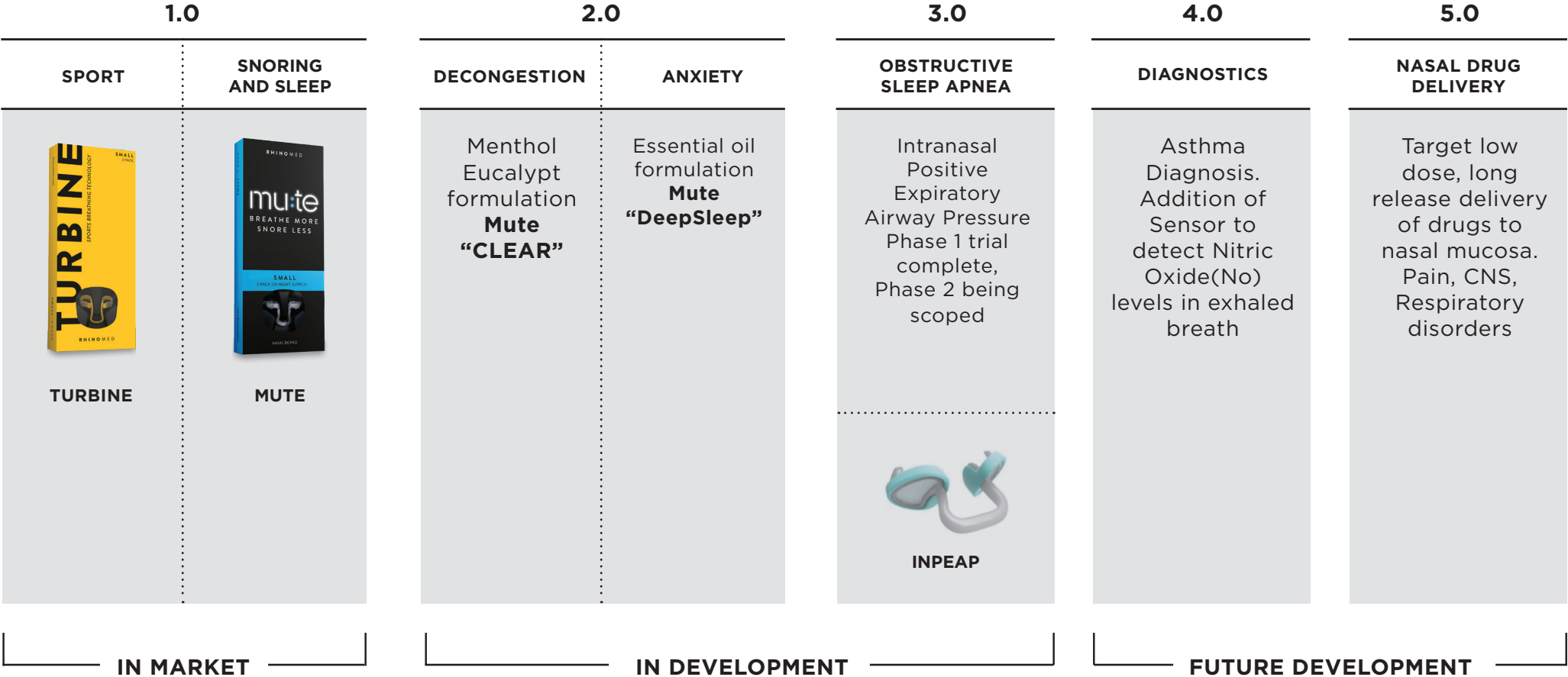
MAJOR GROWTH IN NORTH AMERICAN STORE NUMBERS – ALL WITHIN 12 MONTHS



INNOVATION PIPELINE

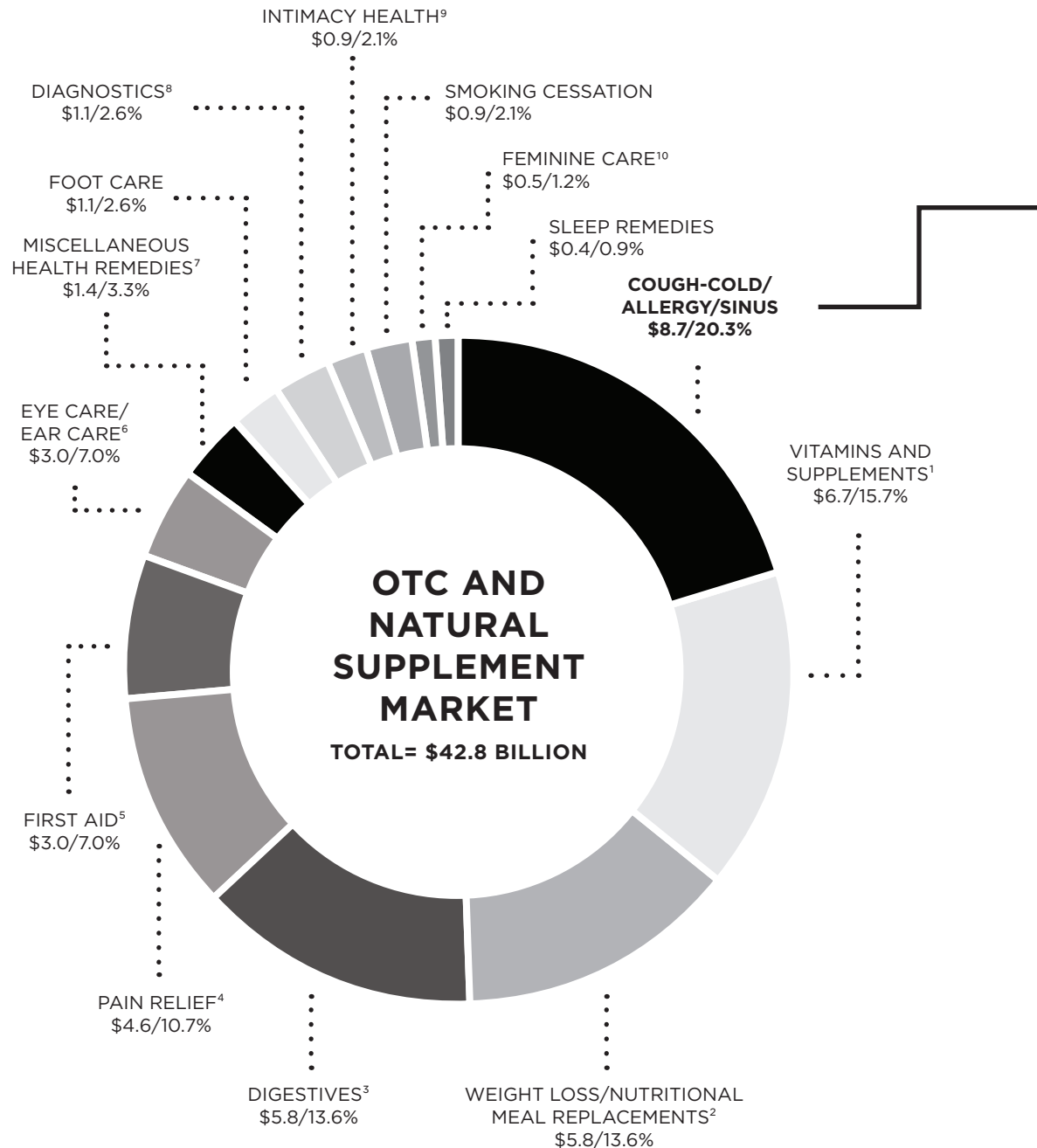
NEXT GENERATION NASAL TECHNOLOGY

Growing acceptance of Mute and Turbine significantly de-risks later stage innovation program



GEN 2.0 – IN DEVELOPMENT
NASAL TECHNOLOGY – OLFACTORY PATHWAY

A DISRUPTIVE SOLUTION FOR THE US\$8BILLION DECONGESTION MARKET



MUTE 'CLEAR'

- Mute with added 'menthol/eucalypt' formulation
- Next generation multi formulation platform
- Delivers low dose, overnight nasal decongestant
- Disruptive innovation in a market Vicks has dominated for decades
- Class 1 product - regulatory process scoped
- Design being finalised and production scoping underway

A DISRUPTIVE SOLUTION FOR THE US\$8BILLION DECONGESTION MARKET

MUTE 'DEEP SLEEP'

- Mute with added 'lavender/ chamomile' formulation
- Delivers low dose, overnight nasal relaxant to tackle anxiety and poor sleep maintenance
- Disruptive delivery technology in the aromatherapy market
- Class 1 product - regulatory process scoped
- Design being finalised and production scoping underway



GEN 3.0 – IN DEVELOPMENT
NASAL TECHNOLOGY – OBSTRUCTIVE SLEEP APNEA

SOLVING A BILLION DOLLAR PROBLEM IN THE GLOBAL SLEEP APNEA MARKET

Obstructive Sleep Apnea affects millions of patients. However, the market is hampered by three key problems:

1. Lack of early diagnosis

- a. 80% of people with Sleep Apnea remain undiagnosed
- b. Lack of awareness and fear of existing therapies are preventing early identification and diagnosis

2. Poor compliance rates

- a. CPAP compliance and adherence rates are as low as 43% and less than 4 hrs a night

3. Therapy cost/value equation

- a. CPAP and MAD therapies are expensive - \$2000+



INPEAP – A DISRUPTIVE LOW INVASIVE SOLUTION FOR OSA

INTRA NASAL POSITIVE EXPIRATORY AIRWAY PRESSURE (INPEAP) TECHNOLOGY

- A new patented alternative to CPAP and mandibular advancement technologies
- Targeting the 70% of OSA patients with Mild to moderate OSA - (AHI 14-29)
- Internal nasal delivery of Positive Expiratory Airway Pressure to keep airway open during sleep
- Low invasive solution when compared to CPAP and Oral devices
- Successfully completed Phase 1 trial showing
 - Nasally delivered EPAP
 - Well tolerated 73% compliance
 - Leverages the growing acceptance of Mute



END TO END SLEEP CATEGORY SOLUTIONS

SNORING

**NASAL
CONGESTION**

**MILD/
MODERATE
SLEEP APNEA**

**SEVERE SLEEP
APNEA**



MUTE CLEAR

Aroma enhanced
(menthol, eucalypt,
sleep & relaxation
blends)

RNO INPEAP

Phase IIb
being scoped

COMPANION THERAPY

MUTE + CPAP Mask
MUTE/INPEAP +
Mandibular Splint

**GEN 4.0 – FUTURE DEVELOPMENT
NASAL TECHNOLOGY – NASAL SENSORS**

NEXT GENERATION OF WEARABLE NASAL SENSOR TECHNOLOGY

Adoption of the platform to measure a variety of both organic and inorganic substances:

For example:

- Nitric Oxide - measurement of NO as a bio-marker for asthma, COPD and other respiratory diseases
- SpO₂ - Alar pulse oximetry
- Nasal air pressure - OSA



**GEN 5.0 – FUTURE DEVELOPMENT
NASAL TECHNOLOGY – NASAL DRUG DELIVERY**

NEXT GENERATION NASAL DRUG DELIVERY - **SEEKING PARTNERSHIP**



Opening up a new window for nasal drug delivery

- in situ delivery
- low dose, long release
- High dose, quick onset
- Providing an innovative platform for multiple targets
- Existing solutions significantly de-risk acceptance and adoption of a drug delivery solution - compliance

Migraine an initial target

- 37 Million Americans suffer from Migraine
- US\$1.6 Billion worldwide sales of Imitrex
- Nasal efficacy and safety established
- 7 million sumatriptan prescriptions annually
- Less than 25% are satisfied with their existing therapy

CORPORATE SUMMARY

GLOBALLY EXPERIENCED BOARD OF DIRECTORS

Mr Ron Dewhurst - Chairman	Previously Head of Americas JP Morgan Asset Management, EVP Head of Global Investment Managers Legg Mason Inc, CEO IOOF Holdings Ltd. Currently Director OneVue Ltd, Sprott Inc.
Mr Michael Johnson - CEO and Managing Director	CEO and MD since February 2013, Director Cogentum Advisory, Previously Director Cetus Energy, Principal Strategyn
Mr Brent Scrimshaw - Non Exec Director	Previously VP & CEO Nike Western Europe, VP & CMO Nike Europe, Middle East & Africa, GM Nike USA (East), CMO Nike Australia and NZ. Currently Non Exec Director Catapult Ltd (ASX: CAT) and CEO Unscript'd Pty Ltd
Dr Eric Knight - Non Exec Director	Previously Lawyer Baker McKenzie, Consultant Boston Consulting Group. Currently University Sydney Business School, member Commonwealth Administrative Appeals Tribunal

ASX: RNO

FY17 Financial Position

Cash - \$1.6 Million
Receipts FY17 - \$2.02m
Units shipped FY17 YTD - 150,000
Strong Gross Margins


Capital Structure

Top 20 - 47%
Market Cap - approx A\$20m
Shares on issues - 93m

Offices


Melbourne, Australia and Cincinnati, USA

INVESTMENT PROPOSITION



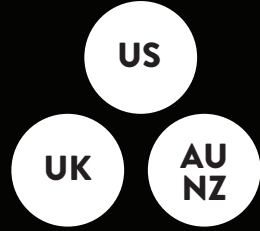
MARKET

Compelling technology in a growing global market - Sleep




DISTRIBUTION

Business is rapidly expanding the revenue base through a global distribution footprint




KEY FOCUS

- USA & CANADA
- UK
- Aust/NZ Base



NEAR-TERM NEWS FLOW

- Growing number of distributors



COMPELLING INVESTMENT COMPARATOR

- Breathe Right™ Strips - Peak revenues of approximately US\$150m
- Purchased by GSK - US\$566m in 2007

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