

R H I N O M E D

# CHANGING THE WAY **THE WORLD BREATHES**

AGM PRESENTATION  
NOVEMBER 30th 2015

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.

OUR MISSION

**RADICALLY IMPROVE**

THE WAY YOU BREATHE,

SLEEP,

MAINTAIN YOUR HEALTH,

AND TAKE MEDICATION.

# SHAREHOLDER OVERVIEW

2015 RNO.AX 0.03



Ordinary Fully Paid Shares	612,902,124	100%
Top 20 Shareholders	182,658,953	29.80%
Kroy Wren	50,000,000	8.15
HSBC Custodian Managers	14,819,427	2.41
Abingdon Nominees	14,000,000	2.28
Kensington Capital	13,500,000	2.20
Fifty Second Celebration PTY LTD	9,062,500	1.48

## ANALYST REPORTS

Morgans - Scott Power  
 Baillieus - Josh Kanakourakis  
 Bioshares - Mark Pacasz

## BOARD AND MANAGEMENT

- A nasal and respiratory medical technology company based in Melbourne, Australia
- Rhinomed develops, markets and partners its internal nasal technology platform into multiple form factors – internal nasal devices

Our focus is on unmet needs in:

- Sports & Exercise
- Sleep (Snoring, Sleep Quality and Sleep Apnea)
- Wellness
- Drug Delivery

Non Executive Chairman

Mr. Martin Rogers

Non Executive Director

Mr. Brent Scrimshaw

Non Executive Director

Dr. Eric Knight

Executive Director

Mr. Michael Johnson

Joint Company Secretary

Mr. Phillip Hains

Joint Company Secretary

Mr. Justyn Stedwell

CEO

Mr. Michael Johnson

CFO/COO

Ms. Justine Heath

Head Sales & Marketing

Mr. Shane Duncan

Head Sport Science

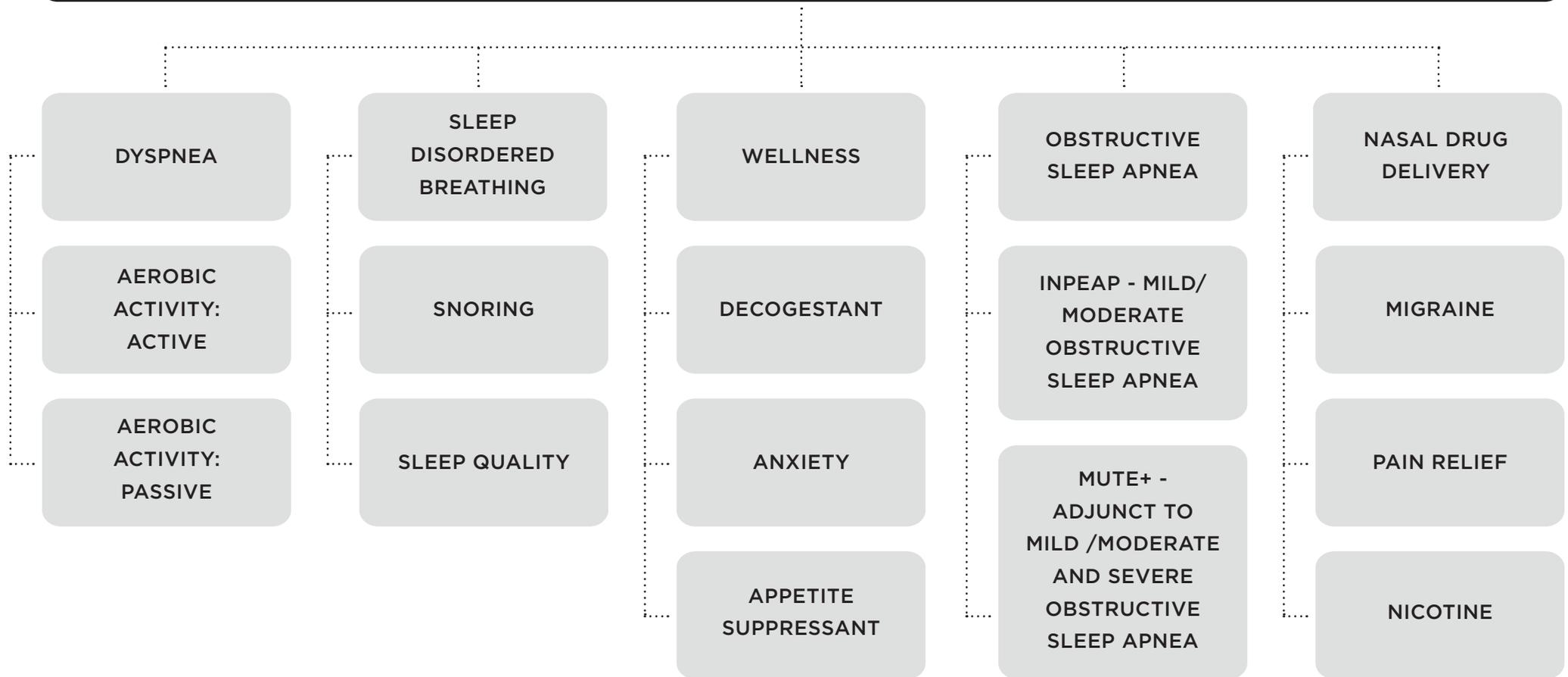
Dr. Mitch Anderson

UK Business Development

Ms. Lesley Jarvis

# RHINOMED IS BECOMING A GLOBAL LEADER IN NASAL AND SLEEP TECHNOLOGY

**R H I N O M E D** Technology Platform - 60 Patents+ (13 Granted)



# 2014-15: SUBSTANTIAL AND STRATEGICALLY IMPORTANT MILESTONES ACHIEVED

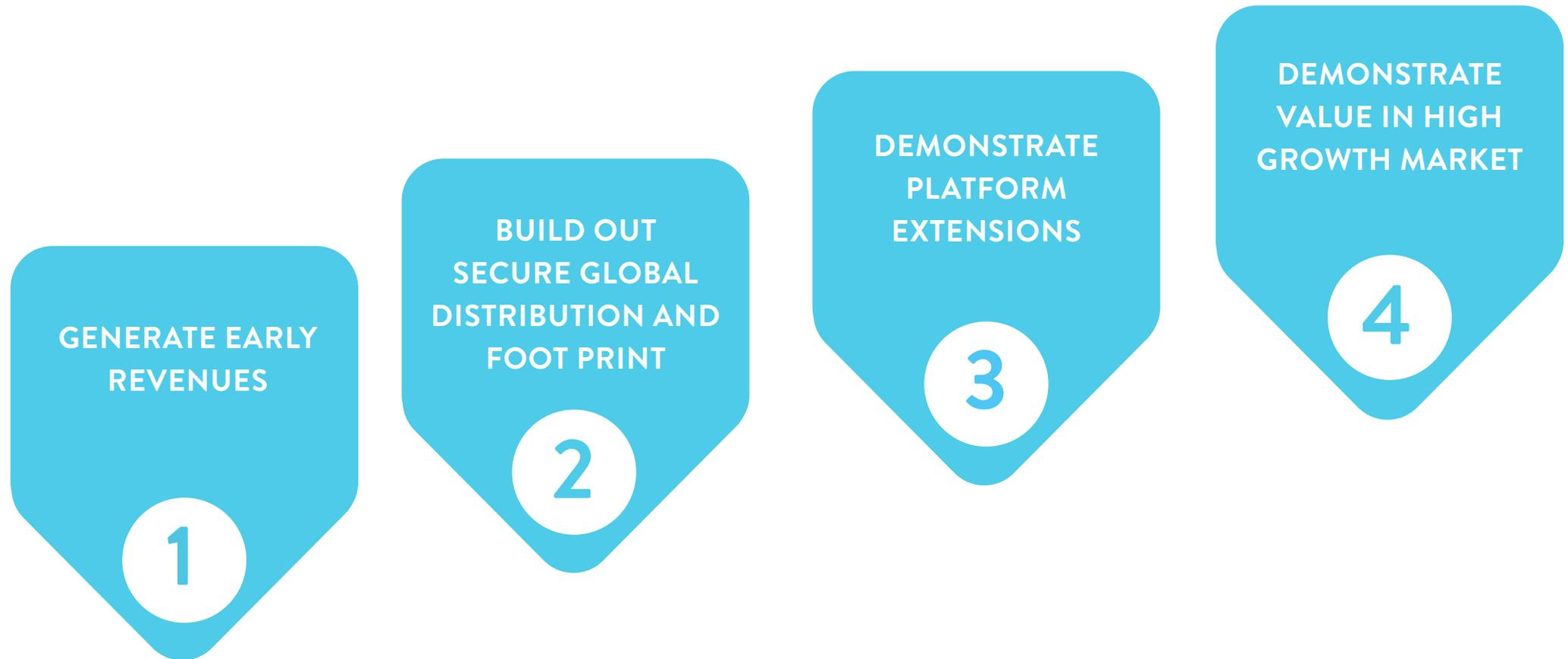
## 2014

JULY	Turbine registered with US FDA
AUGUST	Chris Froome wears Turbine in Vuelta a Espana
SEPTEMBER	Rhinomed exhibits Turbine at Interbike (US)
OCT/NOV	Turbine distribution grows to 14 countries
NOVEMBER	Turbine redesign commences Mute design finalized INPEAP design program begins
DECEMBER	Mute User trial completed (n=236) - reports 75% reduction in snoring frequency and severity Mute successfully registered with USFDA Mute successfully registered with Australian TGA Mute awarded CE Mark Mute production program begins

## 2015

FEBRUARY	Turbine 2.0 released
APRIL	Mute ranged by Symbion and Sigma
APRIL - JUNE	Australian pharmacy distribution begins International Business Development program commences
JUNE	Rhinomed exhibits Mute at American Sleep Association conference INPEAP Obstructive Sleep Apnea trial commences at Monash Health
JULY	Chris Froome joins as Global Ambassador for Turbine Chris Froome wins 2015 Tour de France Shannon Rowbury breaks Mary Deckers 31 year old 1500m American record
AUGUST	Boots to distribute Mute exclusively in UK SleepGP partnership educating GPs on role of snoring and sleep begins Mute Snoregust campaign
SEPTEMBER	Rhinomed exhibits at Interbike (US) Aerovelo set new world record for human powered speed (139km/hr)
OCTOBER	Disposal of Vibrovein asset Linda Villumsen becomes new UCI world Time Trial champion
NOVEMBER	Internal launch of Mute at Boots HQ Nottingham Rhinomed exhibits at Australian Sleep Down Under conference Turbine goes in sale on Boots.com UK consumer launch of Mute

# PROVING COMMERCIAL AND STRATEGIC VALUE



# PROVING COMMERCIAL AND STRATEGIC VALUE



## DEMONSTRATE & VALIDATE DEMAND

- Use Australia as a test market
- Target early adopters



## EXTEND DISTRIBUTION

- Expand global retail distribution through strategic relationships
- Drive sustainable revenue through premium branding and secure channels



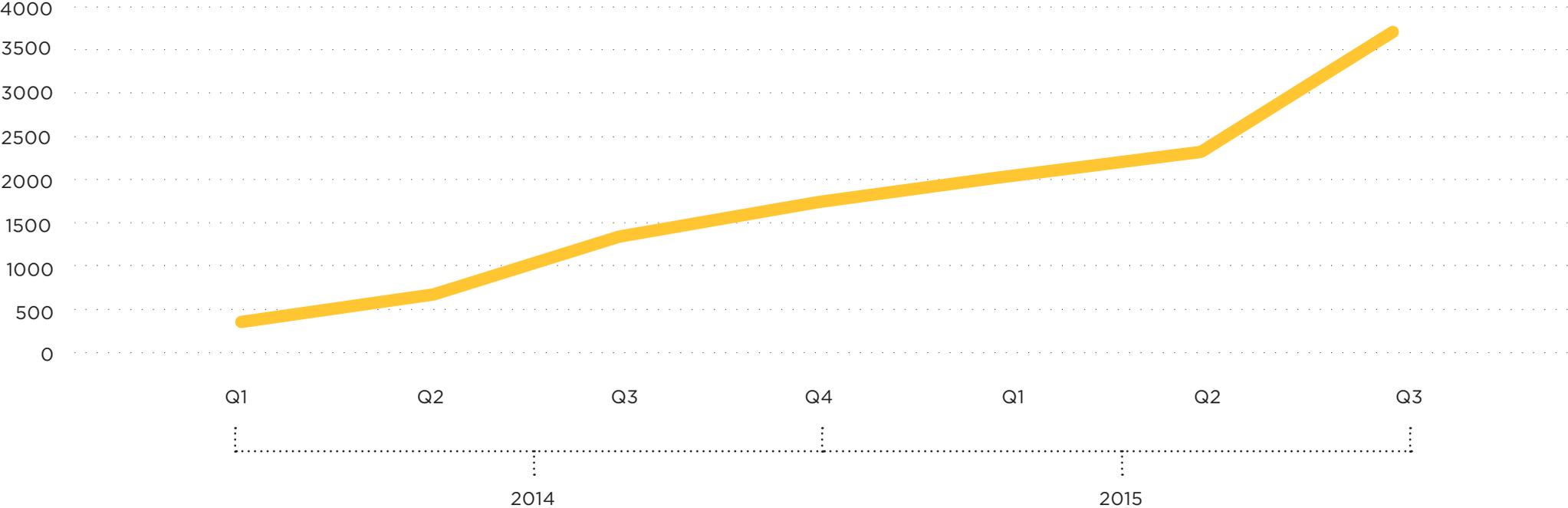
## DEVELOP HIGH VALUE STRATEGIC PROGRAMS

Expand value of IP portfolio through High value strategic development programs:

- Decongestion - UK market (£243 million)
- Obstructive Sleep Apnea Global Revenues - (US\$15 billion+)
- Global Drug Delivery Market US\$41 Billion - Nasal Drug Delivery (\$US9 billion)

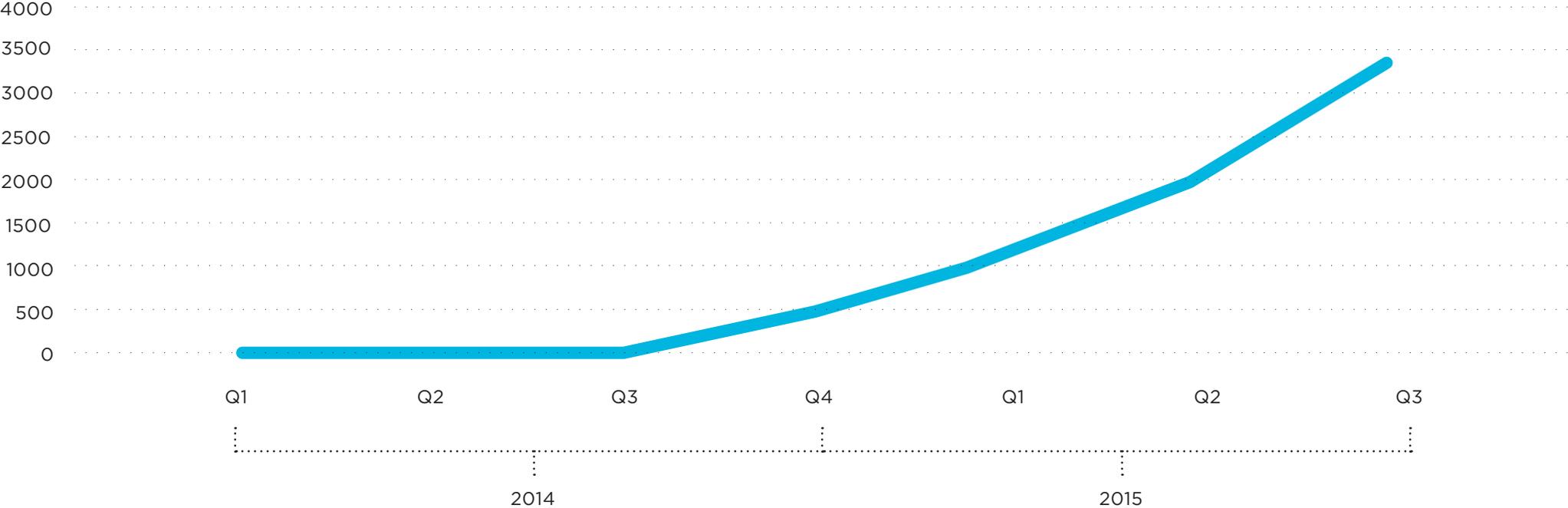
# EARLY STAGE REVENUE GROWTH

TURBINE ONLINE CUSTOMERS



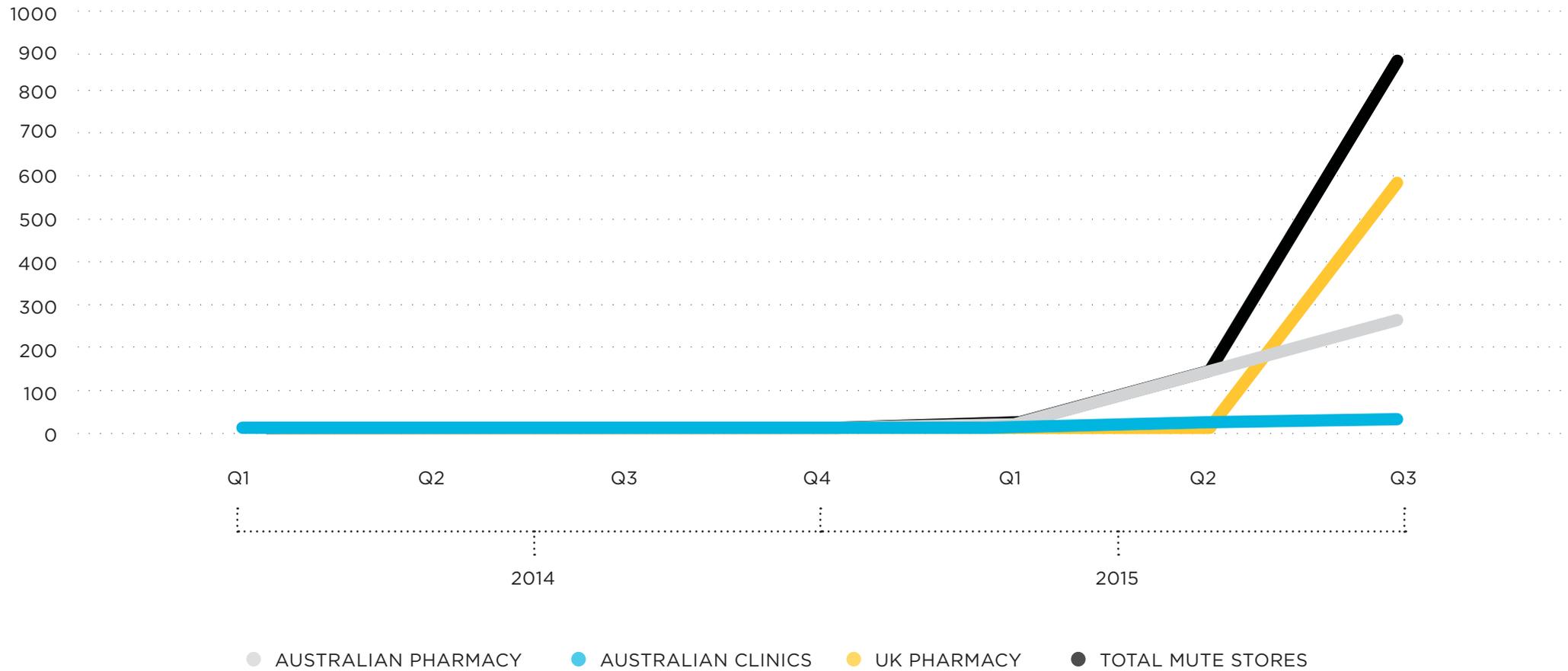
# EARLY STAGE REVENUE GROWTH

MUTE ONLINE CUSTOMERS



# EARLY STAGE REVENUE GROWTH

MUTE TOTAL STORES



# TURBINE

*SPORTS BREATHING TECHNOLOGY*

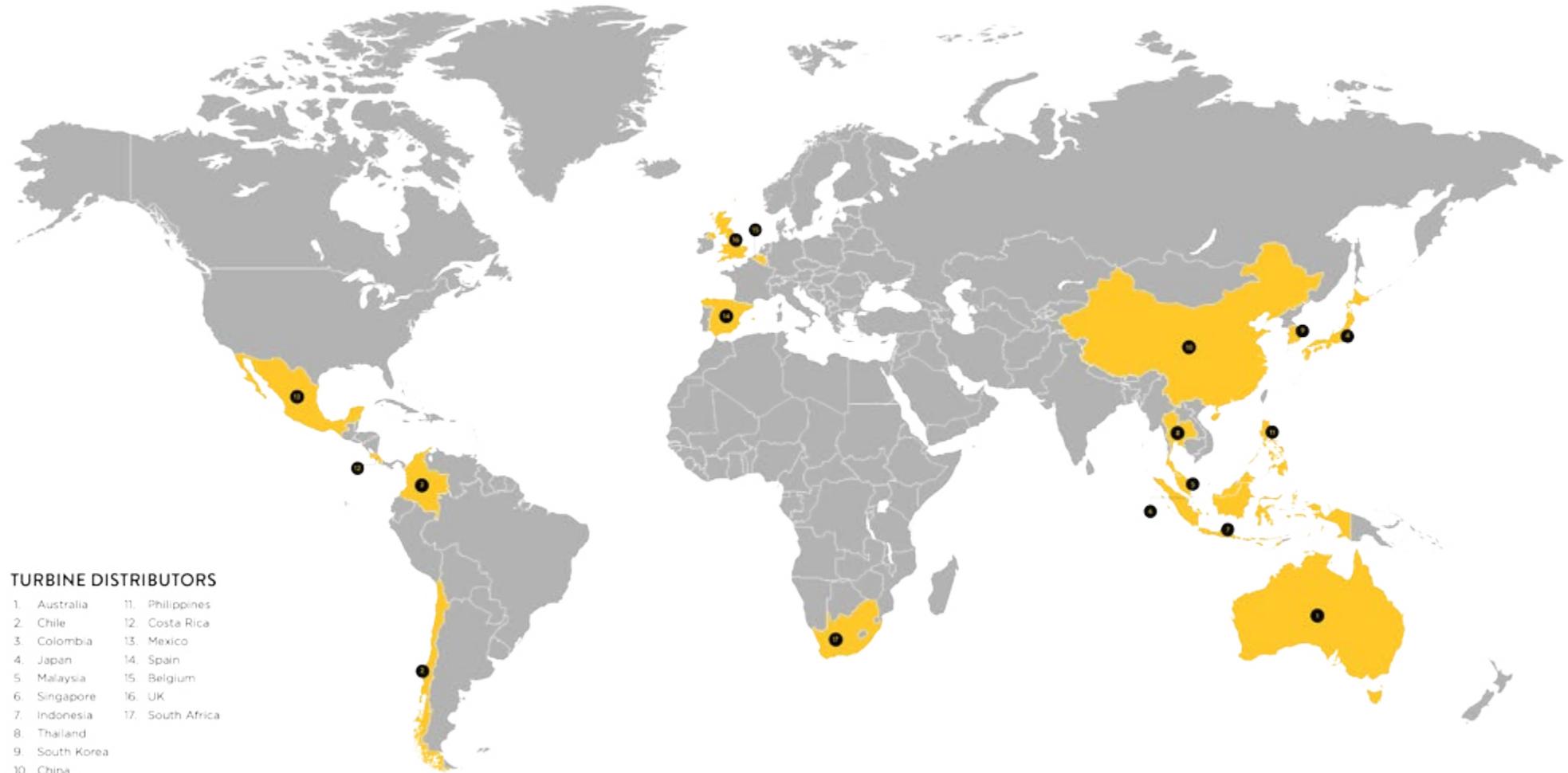


# TURBINE



- Sports breathing technology that combats dyspnea (shortness of breath) and those suffering from nasal obstruction
- Designed to help athletes breathe easier during sport and aerobic exercise
- Adoption from athletes in training, pre event preparation, competition and recovery
- RRP US\$27.95
- Approximately 10 uses per product (less than \$1 a day)
- Sold on line and through sporting goods stores

# TURBINE GROWING GLOBAL DISTRIBUTION FOOTPRINT



# TURBINE

## HOW IT WORKS

**Breathing with Turbine increases the efficiency of getting air into your lungs, which allows you to reach maximum potential.**

- Technology platform proven to increase airflow, on average by 38%
- Reduces the energy exerted during breathing (by minimising resistance at the nasal valve)
- Maximises intake of warm, filtered and humidified air
- May reduce breathing difficulties related to obstructed nasal
- Assists with mental focus by providing valuable biofeedback about breathing nasally, a mechanism which also promotes nitric oxide release to optimise blood flow in the lungs
- May improve physical recovery by minimising the cost of breathing and allowing efficient, relaxed breathing patterning

**Matt Goss**  
Professional Cyclist



# TURBINE - MEDIA COVERAGE

The central graphic is a black and white world map with eight yellow numbered circles (1-8) indicating global locations. Surrounding the map are logos for various media and social media platforms: Facebook, Twitter, Pinterest, Instagram, and YouTube. The collage also features logos for 'CYCLINGTIPS', 'Fitness first', 'Triathlete', 'ride', 'BICYCLING', 'SBS', 'Bicycle Retailer', 'cyclingnews.com', 'Men'sHealth', 'exodus', 'bikeexchange', 'Triathlon Retailer and Industry News', and 'bikeradar.com'. Snippets of media coverage include: 'STAGE 8 TOUR DE FRANCE 2015 RANDOM TESTING' with 'ROBBIE MCEWEN' and 'AIRTIME WITH ROBBIE MCEWEN & TURBINE'; 'Turbine with Chris Froome'; 'Why is Chris Froome wearing a nose ring at the Tour de France?'; 'Subscribe & Save 50%'; 'WIN a lunch with Chris Froome!'; 'THE TOTAL RACE BIKE'; and 'Tour de France podcast episode 10: van Garderen and Froome on the TT'.

DOES

**TURBINE HELP?**

# OVER THE LAST 12 MONTHS

TURBINE HELPED  
RACHEL NEYLAN  
WIN THE INAUGURAL  
CADEL EVANS RIDE



TURBINE HELPED  
SHANNON ROWBURY  
SET A NEW AMERICAN  
RECORD FOR THE  
1500 METERS



TURBINE HELPED  
LINDA VILLMUSEN  
BECOME THE 2015 UCI  
TIME TRIAL WORLD  
CHAMPION



TURBINE HELPED TEAM  
AEROVELO SET A NEW  
WORLD RECORD FOR  
HUMAN POWERED  
SPEED - 139.5KM/HR



TURBINE HELPED  
CHRIS FROOME  
WIN HIS SECOND  
TOUR DE FRANCE

# TURBINE PROVIDES THE 'MARGINAL GAIN'



In the last year Turbine has helped people all over the world achieve new records and set new personal bests by making every breath count

# TURBINE

## 2016 PROGRAM



### **SUPPORT STORE PENETRATION IN EXISTING MARKETS**

- Target large sport retail outlets in US
- Expand target market to include broader range of aerobic sports
- Drive Turbine business unit to break-even



### **MARKETING AND PROMOTIONAL PROGRAM**

- Focus on Chris Froome's Third attempt at winning the Tour de France
- High profile sporting activities and athletes
- Prototype Turbine clear - decongestant



THERE'S ONLY ONE PROBLEM WITH WINNING  
THE TOUR DE FRANCE.

YOU KNOW EXACTLY WHAT IT TAKES.

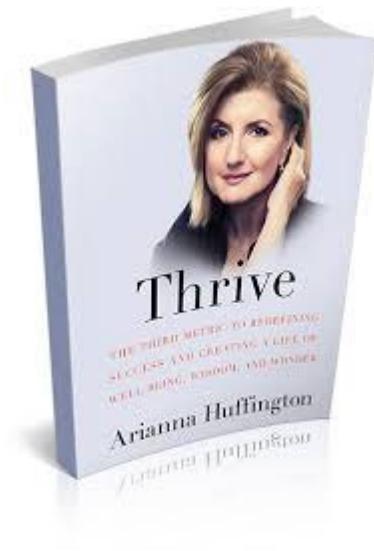
WE'LL RIDE WITH #Y3LLOW

**TURBINE**  
SPORTS BREATHING TECHNOLOGY

BREATHE MORE  
SNORE LESS



# SLEEP HEALTH HAS GONE MAINSTREAM



“The science is pretty incontrovertible, that sleep deprivation affects every aspect of our health and cognitive performance.”

**ARIANNA HUFFINGTON**

# SLEEP IS THE HEALTH CRISIS OF THE 21<sup>ST</sup> CENTURY

- **90** million American adults snore NATIONAL SLEEP FOUNDATION
- **70%** of Australian men and 30% of women over 35 years old snore NATIONAL SLEEP FOUNDATION
- **Poor sleep** is a significant contributor to major health & safety accidents
- **Snoring & sleep** disordered breathing may lead to dementia APRIL 2015, TIME MAGAZINE
- **80%** of patients who suffer from Sleep Apnea market remain undiagnosed RESMED/PHILLIPS RESPIRONICS
- **Spending** on sleep aids increased 5.6% annually since 2008

“Sleep has finally emerged from the darkness and gained the limelight as a critical American health issue.”

# THE WORLD IS **SLEEP DEPRIVED**



**1950:** ARSENAL WIN FA CUP  
AVERAGE SLEEP: **9 HRS**



**2014:** ARSENAL WIN FA CUP  
AVERAGE SLEEP: **6.5 HRS**



# SNORING PREVALENCE REPRESENTS A MASSIVE GLOBAL MARKET

A clear unmet need

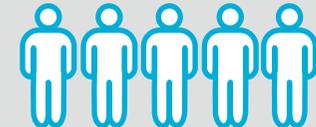
- 45% of people in the UK snore
- 48% of Americans snore
- 19% of Japanese snore

## SNORERS ARE CONCERNED ABOUT THEIR:

PRODUCTIVITY



34% of UK MEN



51% of AUS MEN

PHYSICAL WELLBEING



37% of UK MEN



71% of AUS MEN

RELATIONSHIP



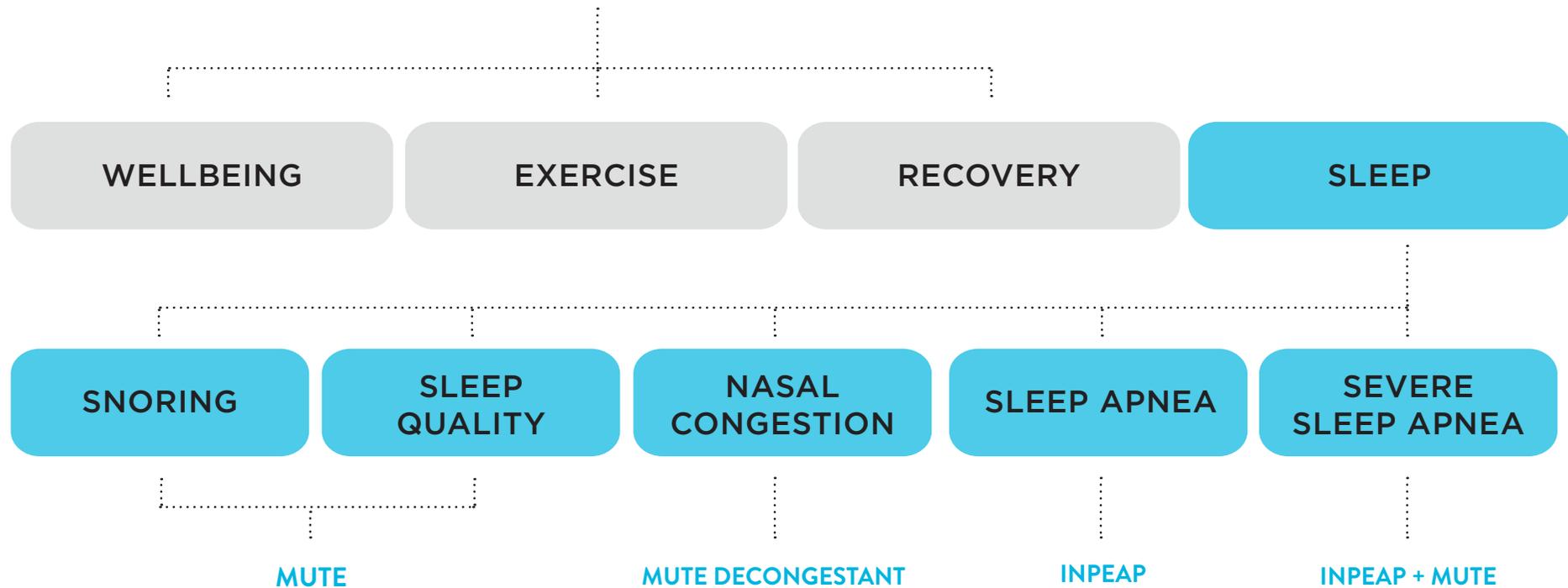
36% of UK MEN



27% of AUS MEN

# RHINOMED IS CREATING A POWERFUL GLOBAL FRANCHISE IN A HIGH GROWTH MARKET

## TURBINE

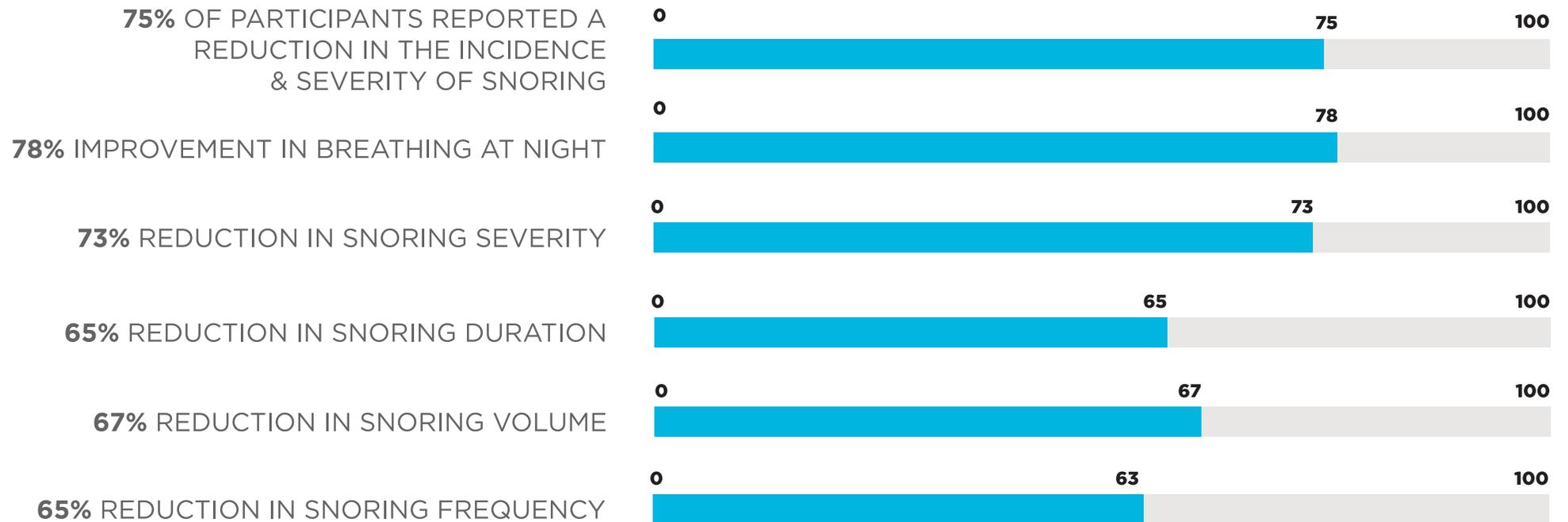


# ANCHORED BY A PATENTED CATEGORY DEFINING BRANDED TECHNOLOGY

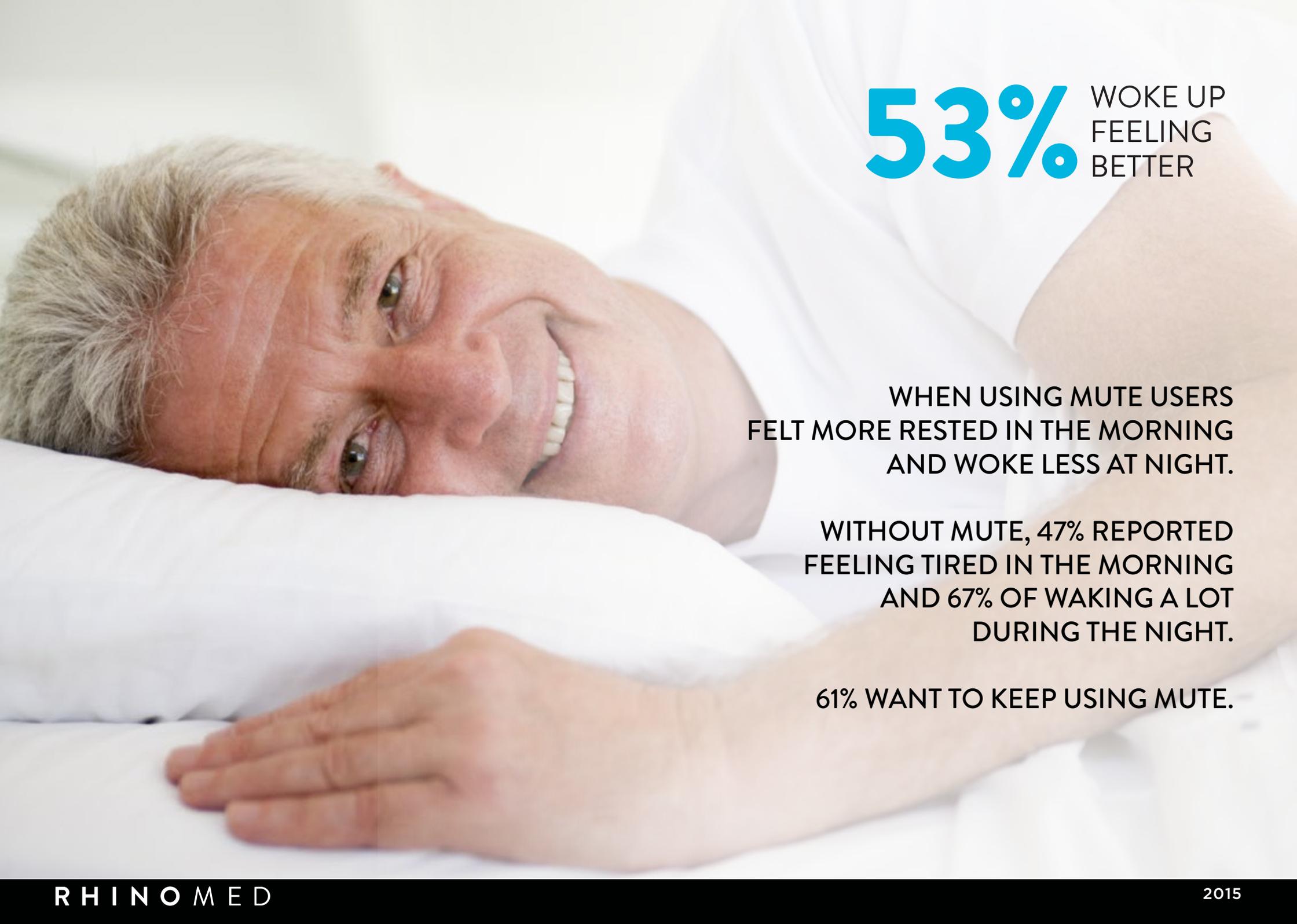
- Front line therapy
- RRP US\$24.95
- Less than a dollar a day
- 1 pack = 1 months supply  
(10 uses per individual unit)



# MUTE WORKS - IN HOME USER PRODUCT TRIAL RESULTS



2014 USER TRIAL N=236 INCLUDES 5 DAYS OF CONTINUAL USE



**53%** WOKE UP  
FEELING  
BETTER

WHEN USING MUTE USERS  
FELT MORE RESTED IN THE MORNING  
AND WOKE LESS AT NIGHT.

WITHOUT MUTE, 47% REPORTED  
FEELING TIRED IN THE MORNING  
AND 67% OF WAKING A LOT  
DURING THE NIGHT.

61% WANT TO KEEP USING MUTE.

# MUTE IS COMPETITIVELY PRICED



## **MUTE IS CATEGORY LEADER**

At US\$24.95 for a pack of three, Mute is well priced for ongoing use.



## **PRICE PARITY**

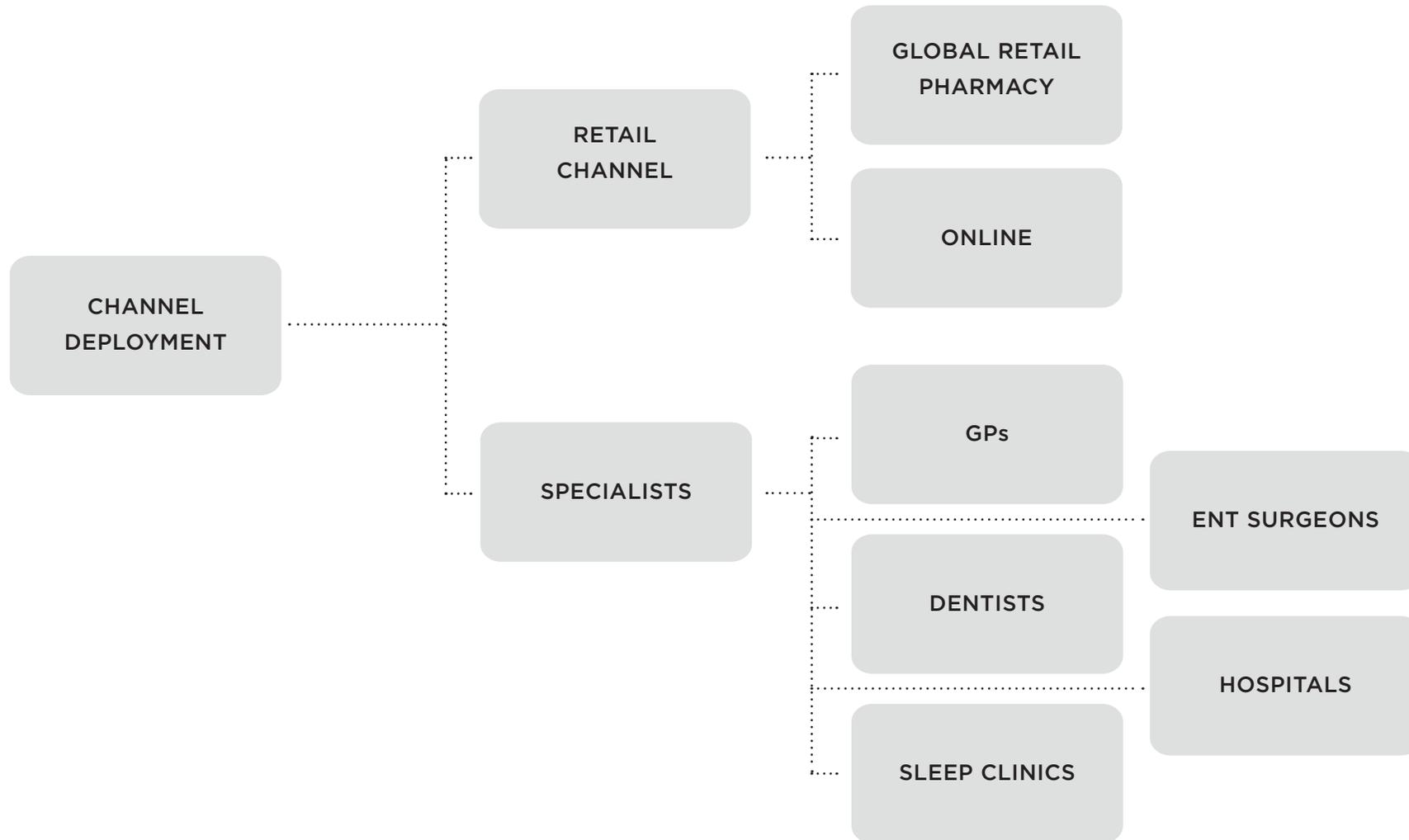
- At parity with Air™ (Sleep/Snore) at US\$0.83 per device for single use
- A parity with Breathe Right™ strips at at US\$0.60 per strip for single use.



## **COST PER DAY**

- Based on 10 uses for each device and 30 days per 3 pack, the daily cost of Mute is USD\$0.83 per day.
- Customer feedback in Australia shows that 60% of buyers are using Mute every night or almost every night.

# MUTE IS BEING ROLLED OUT THROUGH A MULTI-CHANNEL DEPLOYMENT MODEL



# SNORING MARKET - DISTRIBUTION FOOTPRINT

Australia  
Est. 3.5 million  
snorers



symbion 



Currently in 300 out  
of 3,500 pharmacies

United Kingdom  
Est. 22 million  
snorers



Currently in 600 out  
of 2,511 pharmacies

United States of America  
Est. 78 million households have a snorer



**NEXT TARGET**

Approx. 33,000  
drug stores

Japan  
Est. 24 million snorers



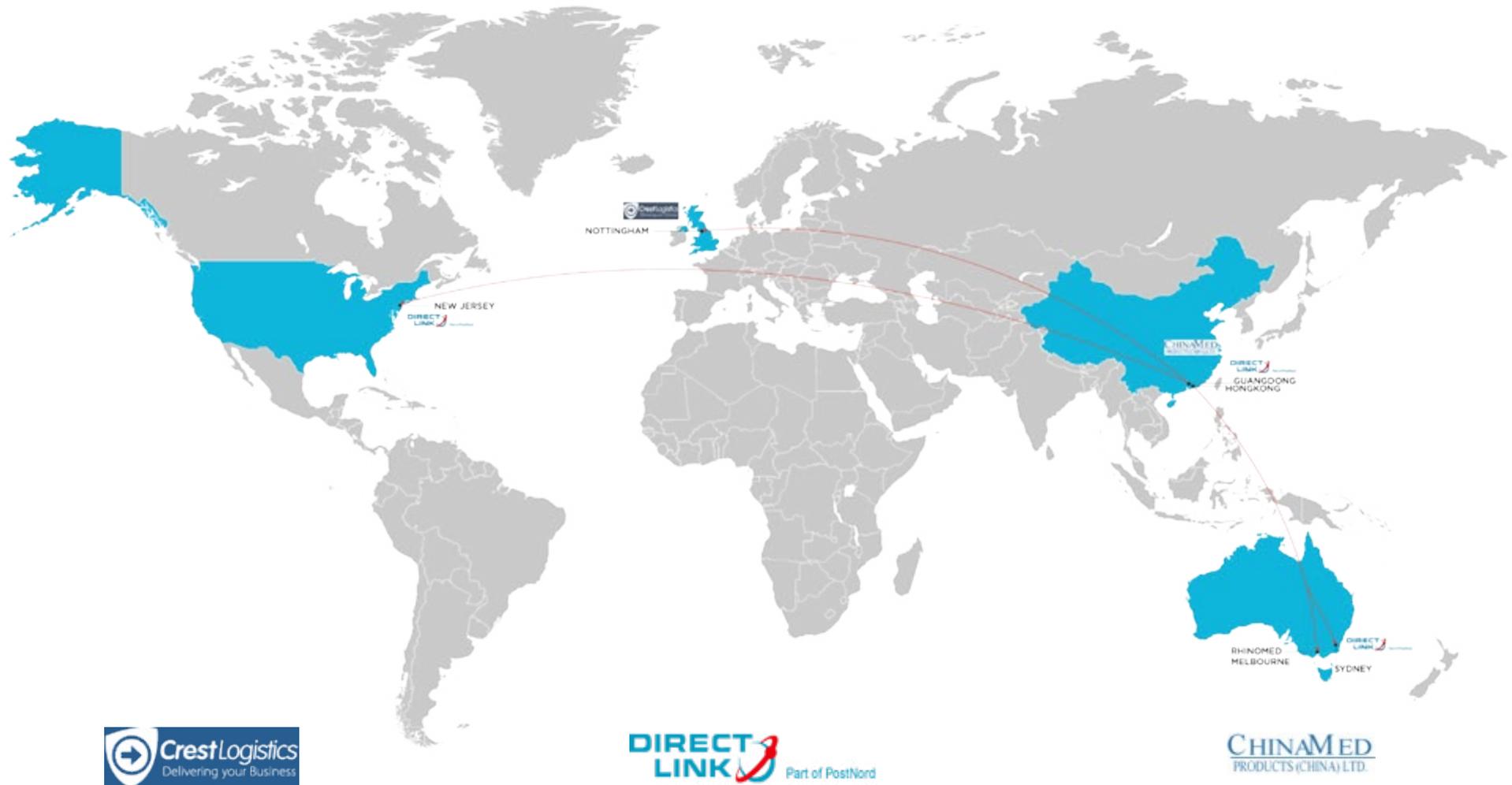
Approx 53,304  
pharmacies

Europe  
Est. 80 million  
snorers



Approx. 150,000  
pharmacies

# ESTABLISHED PRODUCTION AND LOGISTICS

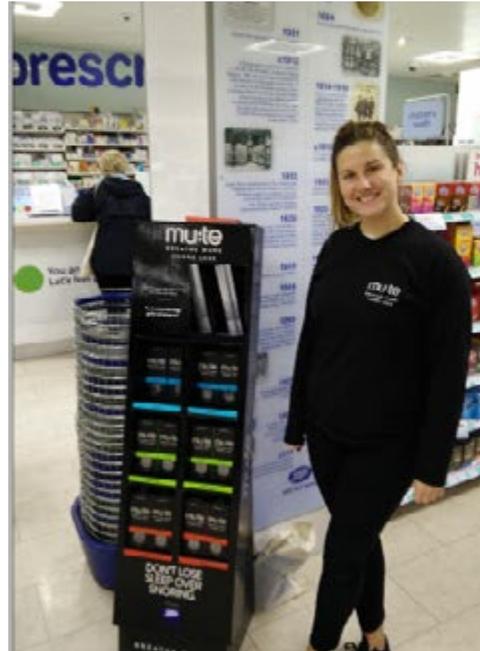


- Provides UK warehousing, customs and logistics support
- Distribution into Boots warehouses

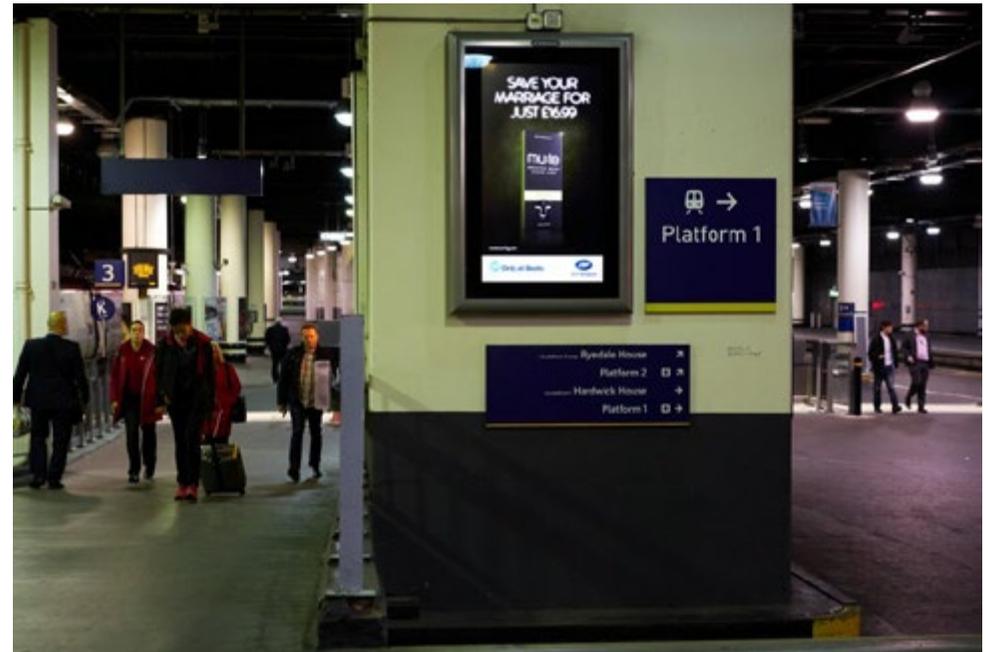
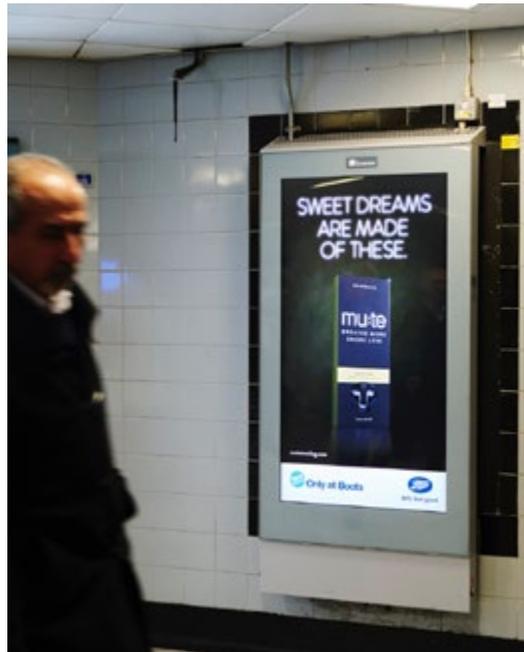
- Provides global logistics support from its Hong Kong Hub.
- Drop ships to key US and European Distribution warehouses
- Provides direct to consumer fulfillment services

- Situated in the city of Jiaotang, Gaoyao, Zhaoqing in China's southern Guangdong Province
- Certified ISO13485-2003 and QSR820 facility
- RNO has 5 Dedicated tooling, production, assembly and packaging lines

# STRONG RETAIL PRESENCE



# STAND OUT BRANDING



# MUTE ON RADIO, PR AND SOCIAL MEDIA



Mute Snoring shared Mute Snoring UK's video.  
Published by Patrick Moore [?] · 5 November at 09:09 · Edited · ♻️

Our UK friends are now hitting the Mute button on snoring. You can too.  
Shop now: <http://goo.gl/BiRRRP>

621,489 Views

**Mute Snoring UK**  
4 November at 23:10 · ♻️

Snoring... funny on the #tube, not in the bedroom.  
Do you have a #snoring story to top this one?

5,284 people reached

[View Results](#)





# AN END TO END SLEEP CATEGORY SOLUTION

SNORING

NASAL  
CONGESTION

MILD/  
MODERATE  
SLEEP APNEA

SEVERE SLEEP  
APNEA

ON MARKET



MUTE CLEAR

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

RNO INPEAP

Clinical trials  
underway

COMPANION THERAPY

MUTE + CPAP Mask  
MUTE/INPEAP + Mandibular Splint

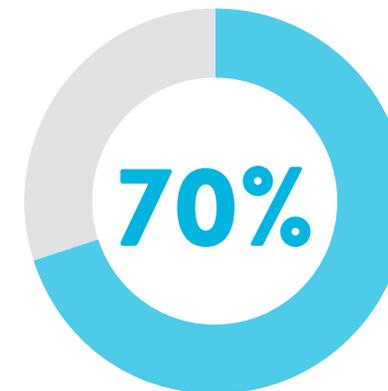
NASAL PLATFORM

# THE BILLION DOLLAR OBSTRUCTIVE SLEEP APNEA (OSA) MARKET

- Existing Industry Revenues - US\$19 BILLION+
- Vast majority of patients remain undiagnosed – significant growth opportunities
- According to McKinsey & Co analysis (Harvard Medical School, 2010) the annual total costs of OSA is \$165 billion

WISCONSIN SLEEP COHORT STUDY	CLASS	%	US POP PREVALENCE
FEMALE	MILD	9%	14 MILLION
	SEVERE	4%	6.2 MILLION
MALE	MILD	24%	36.8 MILLION
	SEVERE	9%	13.8 MILLION

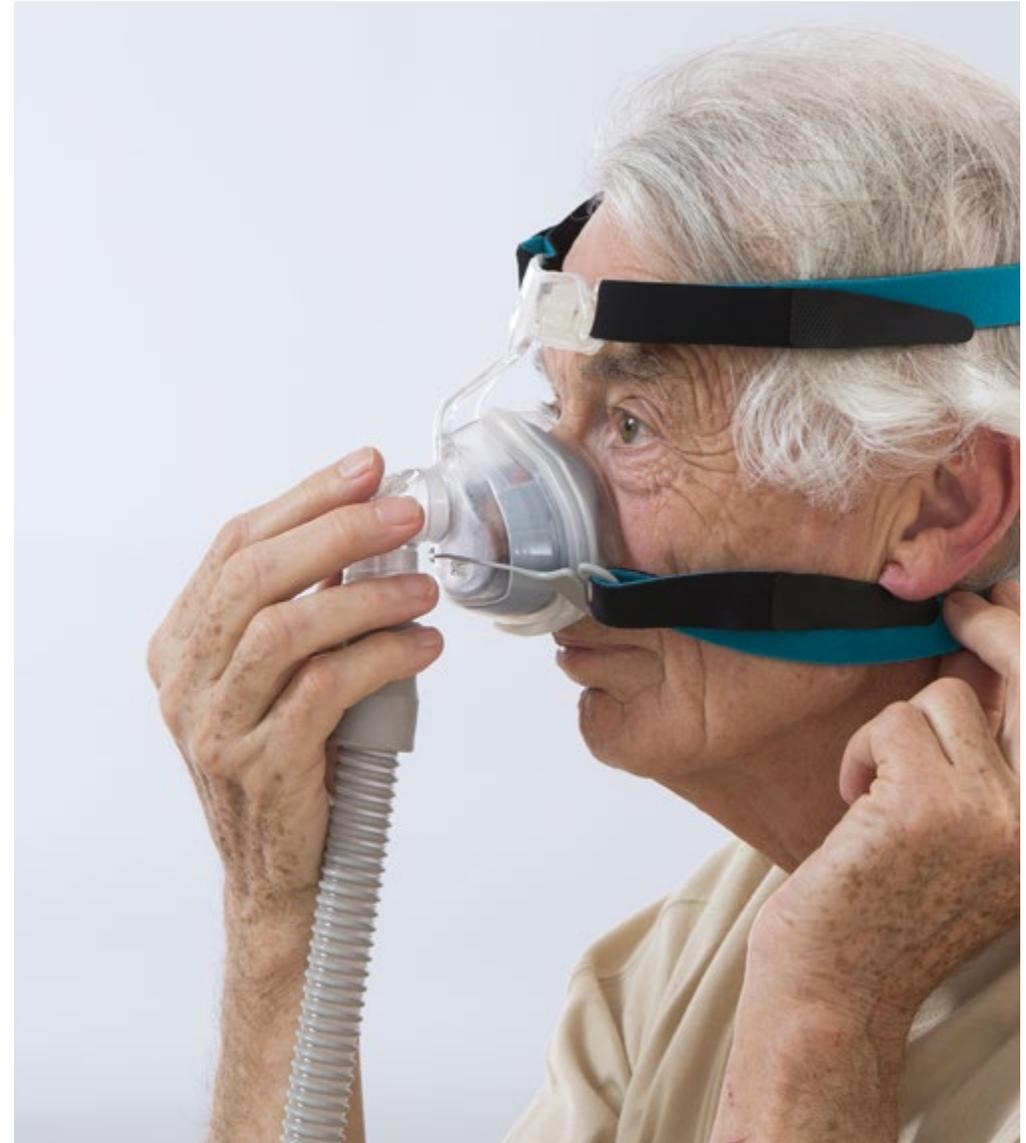
**MILD TO  
MODERATE  
SUFFERERS**



Of all OSA patients are MILD/MODERATE OSA

## THE OSA **BILLION DOLLAR PROBLEM**

- 80% of those with sleep apnea remain undiagnosed
- CPAP compliance rates are poor - less than 38%
- CPAP and MDS treatment is expensive \$2000+
- Few clinically proven alternative treatments
- All existing treatments are highly invasive
- Existing therapies struggle to attract and retain patients

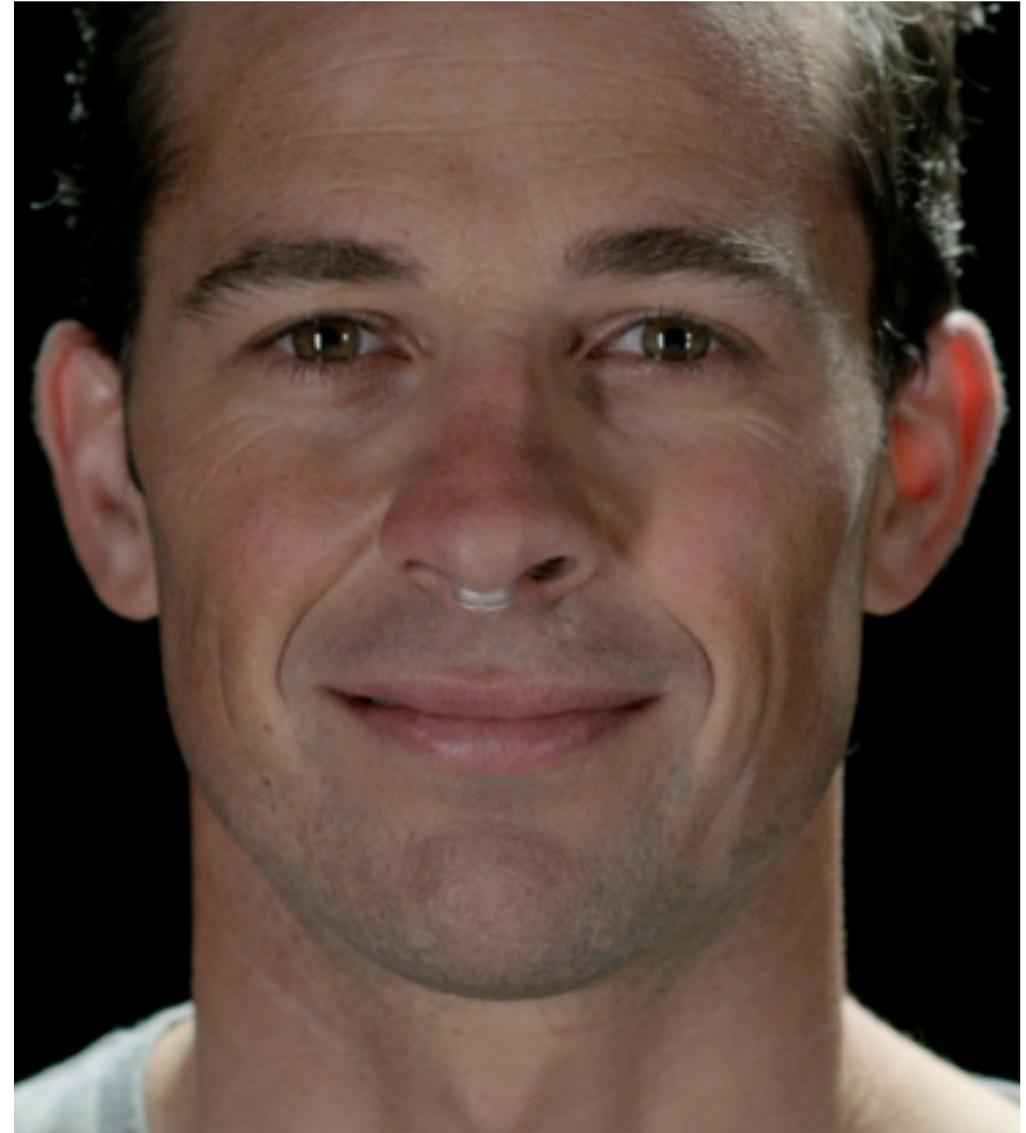


# A REVOLUTIONARY APPROACH TO MODERATE OBSTRUCTIVE SLEEP APNEA

- Patented INPEAP technology
- Targeting 70% of OSA patients with moderate OSA (AHI 14-29)
- Nasal Stenting coupled with nasally delivered Expiratory Positive Air Pressure (EPAP)
- Trial underway at Monash Lung and Sleep Dept. Monash Health with moderate patients (n=20), AHI 14-29.
- 14 day in home use and clinical polysomnography in clinic
- Interim results expected late 2015/early 2016

## **NEXT STEPS:**

- Patient feedback to improve technology design
- Extend trial patients number (n= 60)
- Extend number of sites
- Lock down production program
- Begin regulatory approval process



# OTC INNOVATION PIPELINE

# TARGETING NASAL CONGESTION & WELLNESS OPPORTUNITIES

## DECONGESTION

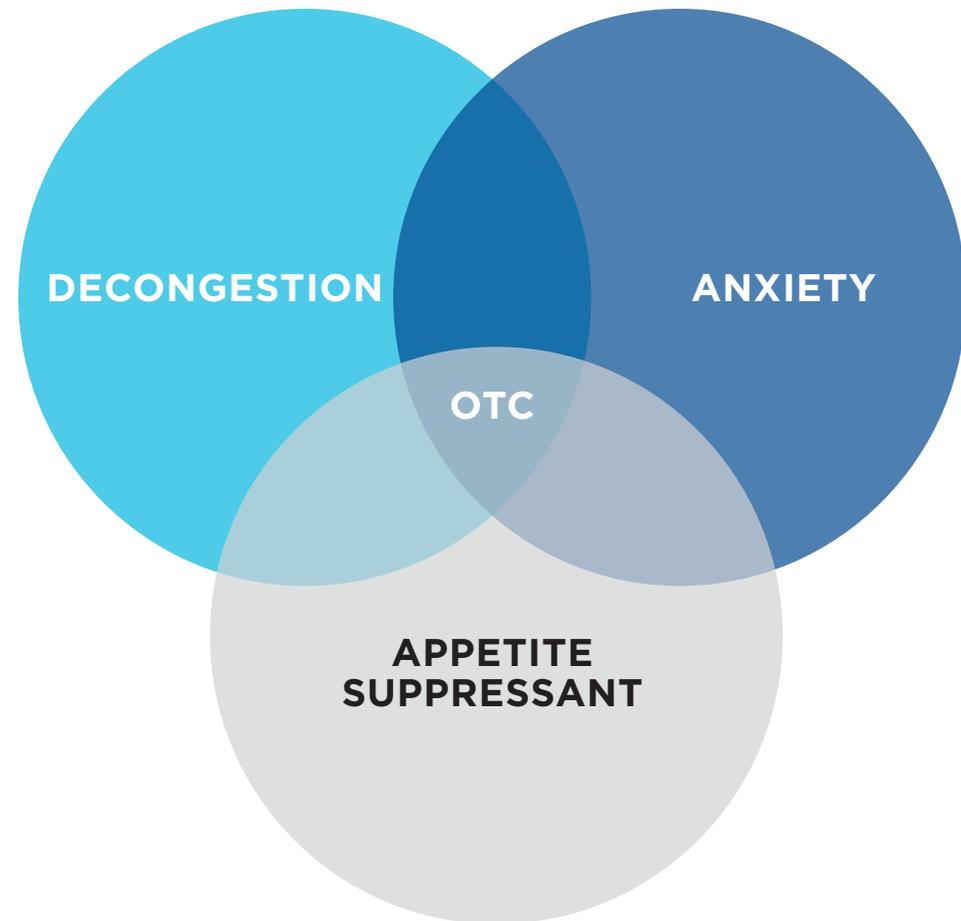
- Proprietary formulation of organic essential oils
- Decongestant
- Targeting use in sport and wellness

## ANXIETY

- Relaxation and sleep problems
- Between 2006 - 2011 OTC sleep aids grew by 31%
- Proprietary formulation of organic essential oils

## APPETITE MANAGEMENT

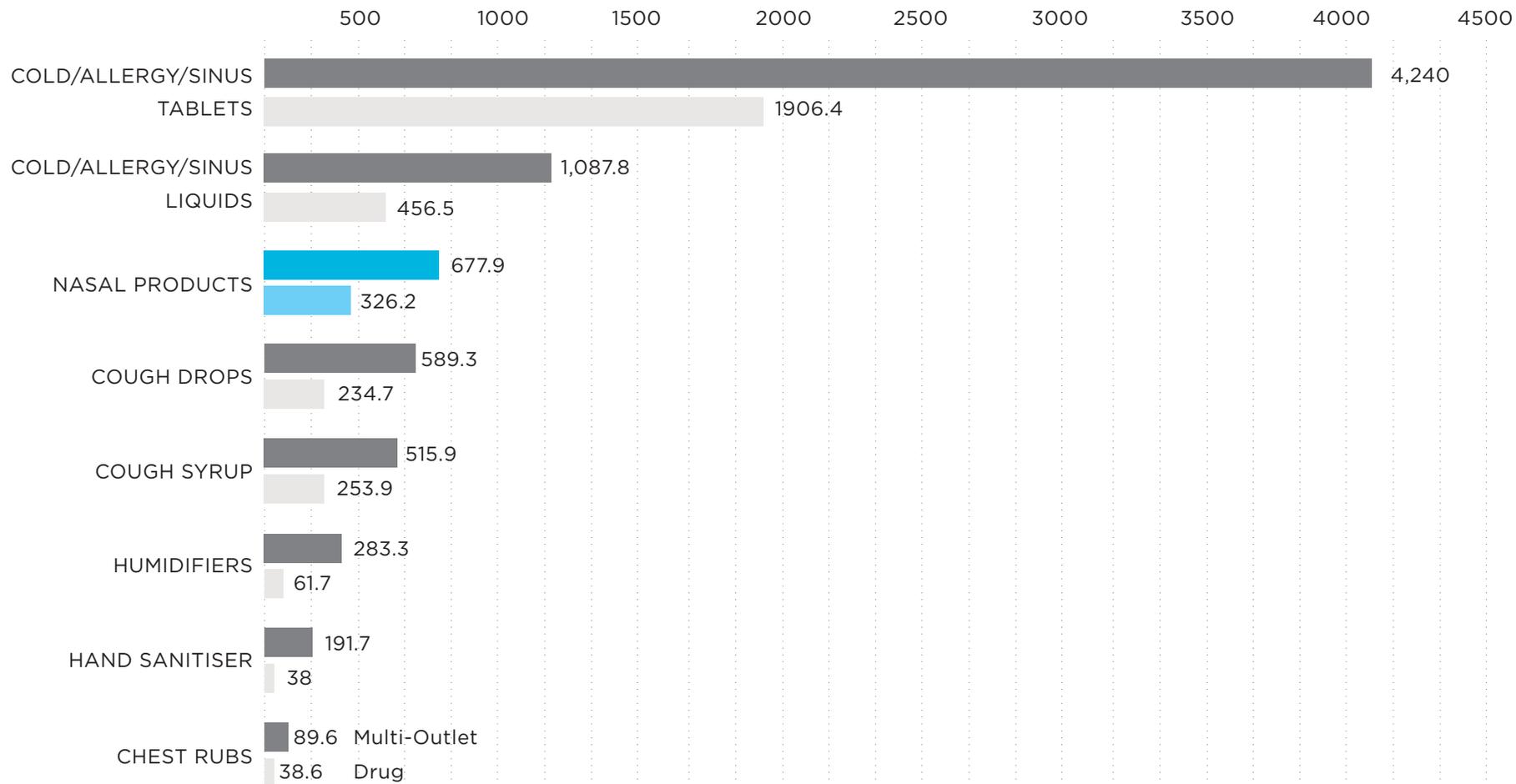
- Weight management market
- Direct to consumer program
- Proprietary formulation of organic essential oils



# NEXT GENERATION

## NASAL DECONGESTANT

MARKET VALUE IN MILLION U.S. DOLLARS



# DRUG DELIVERY

## PROOF OF CONCEPT

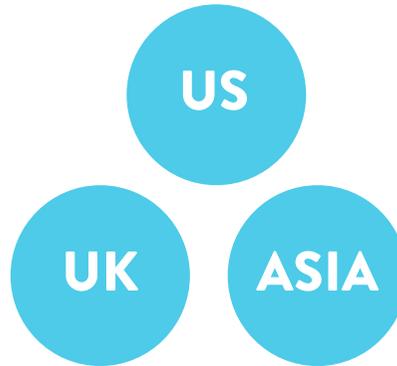


- 37 million Americans suffer from Migraine
- < 25% are satisfied with their existing therapy
- US\$1.6 billion - worldwide sales of Imitrex (GSK)
- Exists in spray form - Efficacy and safety established
- 7,026,000 prescriptions of Sumatriptan in the USA
- Currently a generic with competition focusing on differentiation through novel delivery platforms
- Seeking to partner program

# INVESTMENT PROPOSITION



Business is rapidly growing its revenue bases through expanding its global distribution footprint with high quality distribution partners.



Key focus will be expansion of sleep franchise in:

- UK
- US
- Asia



- Offices to be opened in the US and the UK to support roll out
- Company buys and sells in USD, maintaining a natural hedge against AUD movement
- Near Term Sleep Apnea Trial results

# INVESTMENT PROPOSITION

REVENUE  
STREAMS WITH  
GLOBAL GROWTH  
OPPORTUNITY

SPORT + EXERCISE  
SNORING

PLATFORM  
EXTENSION IN  
HIGH VALUE  
OPPORTUNITIES

OFLACTORY  
DRUG DELIVERY  
OSA

**MICHAEL** JOHNSON, CEO  
e. [mjohnson@rhinomed.global](mailto:mjohnson@rhinomed.global)  
t. +61 3 8416 0900  
[www.rhinomed.global](http://www.rhinomed.global)