

R H I N O M E D

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MCKESSON TO GROW US DISTRIBUTION NETWORK FOR MUTE

Highlights:

- **McKesson appointed as a wholesaler of Mute™ in North American market**
- **McKesson service 3000+ pharmacies throughout the USA**
- **Bartell Drugs in Seattle – first group in the network to stock Mute**
- **Another milestone in expanding the US distribution footprint of Mute**

August 1, 2016. Melbourne, Australia.

Australian respiratory technology company Rhinomed (ASX:RNO) is pleased to announce the further expansion of its US distribution network through the appointment of McKesson Corporation as a wholesale distributor of the Mute snoring and sleep technology in the North American pharmacy market.

McKesson is one of the oldest and largest healthcare distribution companies in the world and is the fourth largest pharmacy network in the US. The appointment of McKesson is another major milestone in Rhinomed's US distribution strategy. McKesson service over 3000 pharmacies throughout the USA.

The first pharmacy chain to stock Mute through McKesson's network is Bartell Drugs. Bartell's is a 64 store chain located in and around Seattle in Washington State, USA. It has been in operation since 1890 and has become an iconic part of the Seattle regional community.

McKesson serves more than 50% of American hospitals, 20% of US physicians and 96% of the top 25 health plans². The company delivers one-third of all the medications used throughout the US daily. McKesson is the world's 11th largest company by revenues (USD179B in revenue in 2015) and is also the largest healthcare distribution company in the world.

Mute is an over-the-counter product to enable snorers to breathe more easily through their nose and help keep their mouth closed during sleep. Mute is designed to fit the natural anatomy of the nose and is individually adjustable on both sides so you can control the level of dilation and airflow.

The combined reach of these groups into the broader healthcare network of hospitals, professional services and healthcare plans fits with Rhinomed's multi-channel strategy for Mute.

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Media Enquiries

Michael Johnson, CEO & Managing Director

+61 (03) 8416 0900

mjohnson@rhinomed.global

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About Rhinomed Limited (ASX:RNO)

Rhinomed Limited is a Melbourne, Australia based technology firm with a focus on nasal, respiratory and breathing management technologies. The company is developing and commercialising applications of its technology portfolio in the sport, sleep, cough/cold and allergy, and drug delivery markets. The company has two products in market (the Turbine for sports and exercise and Mute for snoring and better sleep) and has recently completed a pilot Phase I clinical trial of its new INPEAP technology targeting mild to moderate sleep apnea. For more information, go to www.rhinomed.global.

IMPORTANT: Mute™ nasal device is not for the treatment of sleep apnea. If you think that your snoring may be a symptom of sleep apnea, you should consult your doctor or a sleep specialist.

1 McKesson media release, 27 June 2016 ; 2 McKesson corporate profile, Aug 2015