



RHINO MED

NASAL DELIVERY

INVESTOR UPDATE - OCTOBER 2018

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.

A woman with long dark hair, wearing a white tank top and blue jeans, is sitting on the grass in a field. She is looking away from the camera towards the left. A large white circle is overlaid on the image, containing text. The background is a soft-focus landscape with rolling hills under a hazy sky.

RHINOMED (ASX:RNO)
IS A MEDICAL PLATFORM
TECHNOLOGY COMPANY.
THROUGH OUR PROPRIETARY
NASAL TECHNOLOGY WE SEEK
TO RADICALLY IMPROVE
THE WAY YOU BREATHE, SLEEP,
TAKE MEDICATION
AND MAINTAIN YOUR HEALTH
AND WELLNESS.

THE RHINOMED INVESTMENT OVERVIEW

HIGH POTENTIAL PROPRIETARY PLATFORM

Multiple applications across global OTC, Rx and Device markets

Protected by family of 60 patents, 57 design patents and class leading brands

Addressable market of products in pipeline US\$39 billion+



CONSISTENTLY DELIVERING ON KEY MILESTONES

Two products in market - Turbine and Mute delivery \$2.1m (FY18)

Expanding global retail footprint to 11,000+ stores.

FY18 units shipped grew 50% year on year



ATTRACTIVE NEAR TERM MARKET OPPORTUNITIES

Fastest growing brand in US nasal snoring market

Snoring sleep aid market – US\$1.2 billion

Strong gross margins 70%+



MULTIPLE VALUE CATALYSTS

Two new products coming to market in CY19. Decongestant and Anxiety/Sleep

Expanding store count in USA

Accessing and delivering on US medical cannabis opportunity

STRONG GROWTH FROM NEW STORES AND SAME STORE SALES

CLEAR PIPELINE OF NEAR TERM, HIGH VALUE APPLICATIONS AND OPPORTUNITIES

THE RHINOMED TECHNOLOGY PLATFORM



AN INTERNAL NASAL STENT PLATFORM

- Nasal stent platform capable of delivering multiple solutions from simple dilation through to complex applications such as sensor or drug delivery
- Already adopted and used by clinicians and patients in nasal obstruction, sleep, snoring and as a companion therapy for Obstructive Sleep Apnea.
- Registered Class 1 status with US FDA, Australian TGA, Canada Health, CE Mark from the European Authority and Taiwanese FDA.

DELIVERING YEAR ON YEAR REVENUE GROWTH

Year on Year Quarterly Revenue Growth



Year on Year Quarterly Revenues



**All figures provided in this presentation are on an unaudited basis*

- 7 CONSECUTIVE QUARTERS OF GROWTH
- GENERATED FROM PREMIUM GLOBAL RETAIL PARTNERS

- TOTAL UNITS SHIPPED IN FY18 UP 50% YEAR ON YEAR
- STARTING FY19 Q2 WITH 11,000+ STORES STOCKING MUTE



CORPORATE OVERVIEW

ASX:RNO



FY18 FINANCIAL POSITION*

Premium, global retail network	11,000+ stores globally
Units Shipped FY18	229,000
FY18 Recognised Revenues	\$2.1m
Quarterly Revenues (FY19 Q1)	\$1.14m

CAPITAL STRUCTURE

Market Cap Approx. A\$30m

Shares on issues 117m

TOP 20 SHAREHOLDERS – 63.98%

Whitney George (US based) 21.91%

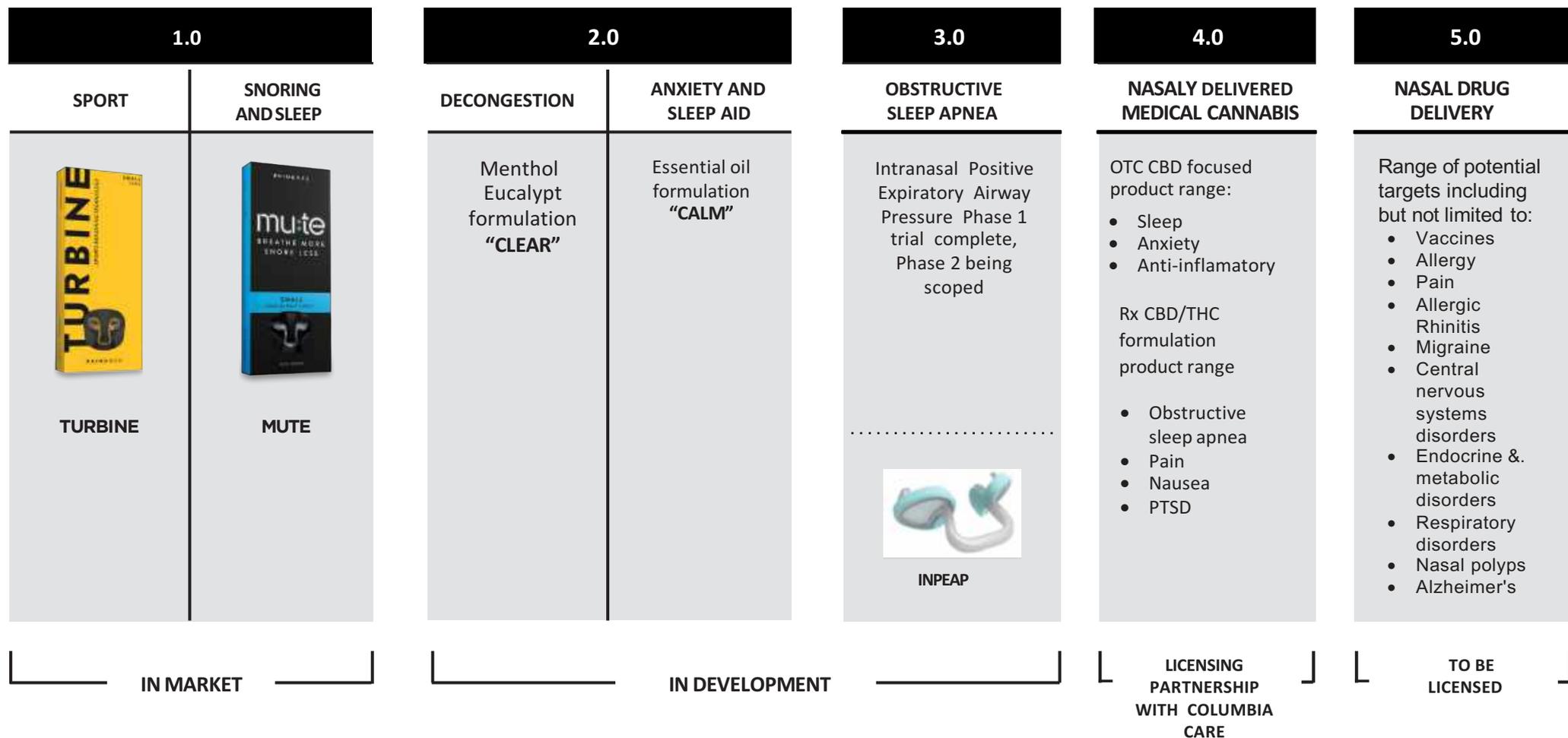
Paul Stephens (US based) 8.17%

Kroy Wen Pty Ltd 6.62%

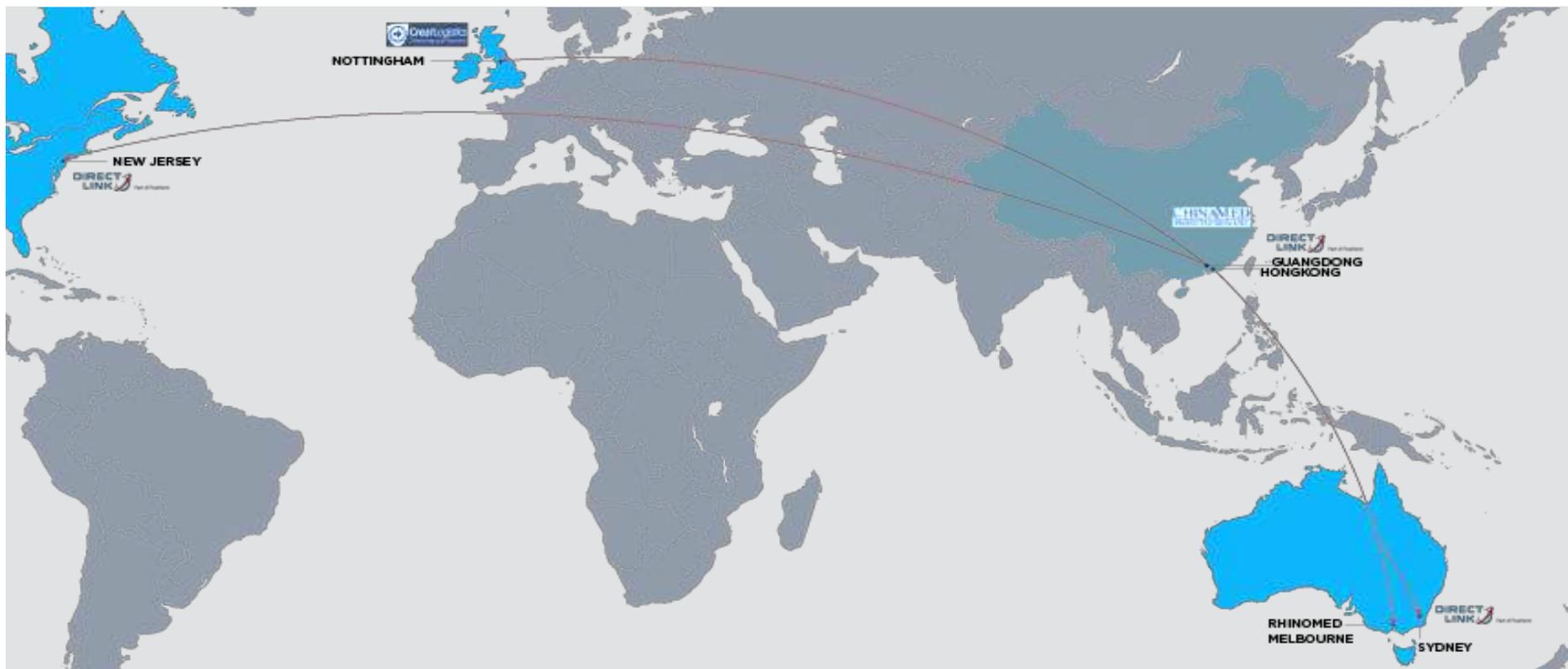
John McBain 6.51%

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PORTFOLIO OF HIGH VALUE TECHNOLOGY



GLOBAL PRODUCTION AND LOGISTICS NETWORK



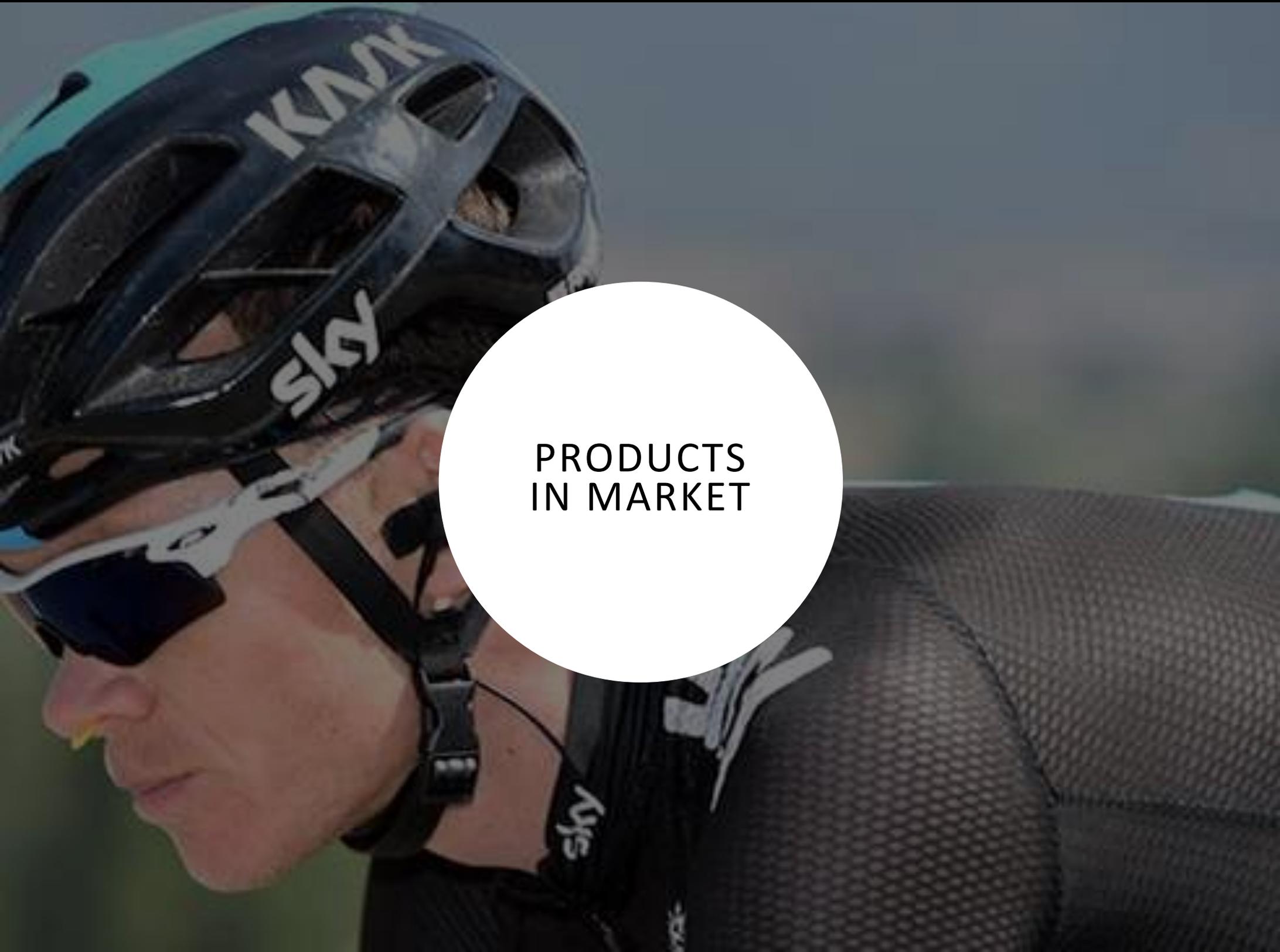
- Manufacturing out of Jiaotang, Gaoyao, Zhaoqing in Guangdong
- Certified ISO13485-2003 and QSR820 facility
- RNO has 5 dedicated tooling, production, assembly and packaging lines – production capacity of 3.9 million pack pa.



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



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



PRODUCTS
IN MARKET

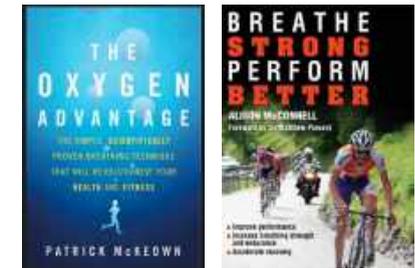
SPORT AND EXERCISE MARKET

Niche position in global Sport, Exercise and Yoga markets

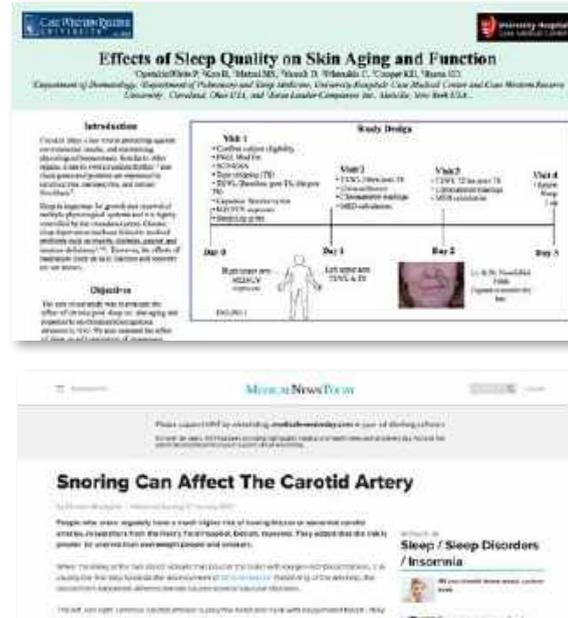
Focus on improving nasal breathing across aerobic activities

One in four people suffer from some form of nasal obstruction

Poor breathing can compromise performance and recovery



US\$1.2 BILLION SLEEP AND SNORING MARKET



- Market changing from a focus on the social inconvenience of snoring to the medical conditions linked to poor sleep
- One in four suffer from nasal obstruction significantly impacting compliance and outcomes associated with current sleep apnea therapies and treatments
- According to the US CDC insufficient sleep is now a **public health epidemic**
- 30% of adults report less than 6 hours a night,
- 90 million Americans snore.

DELIVERING INNOVATION AND CATEGORY LEADERSHIP

THE FRONT LINE SOLUTION AND GATEWAY PRODUCT TO THE GLOBAL SLEEP AID MARKET.

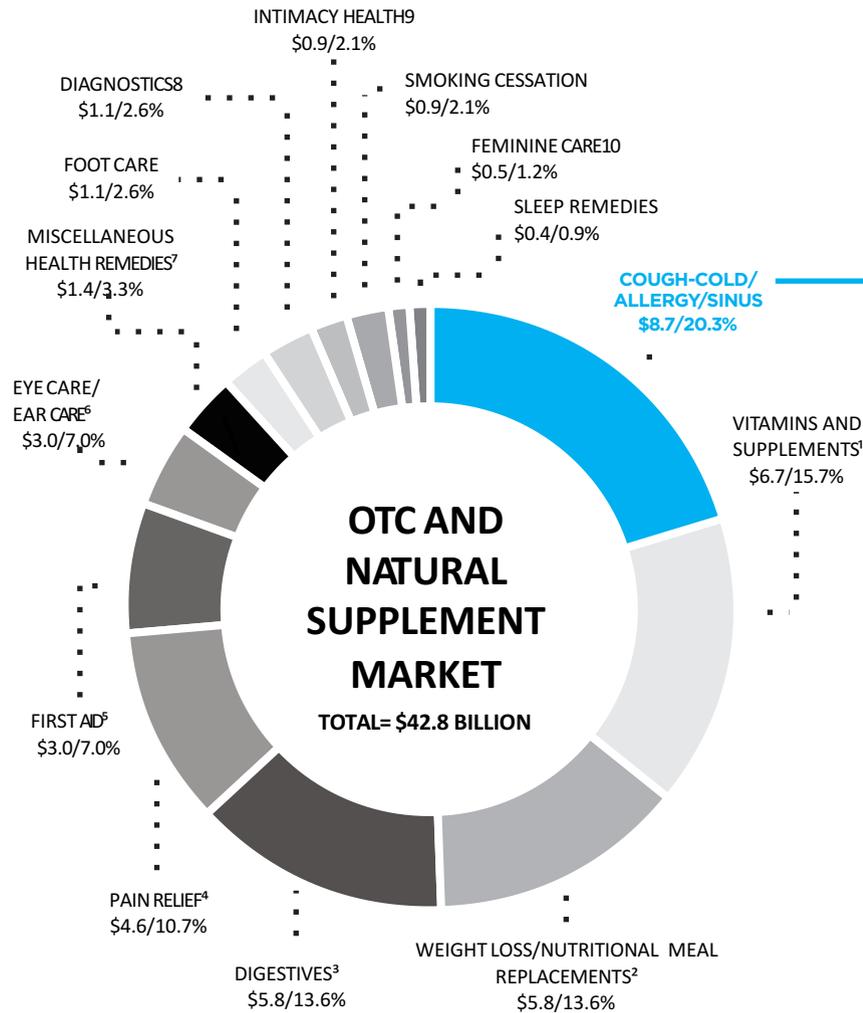


11,000+ STORES GLOBALLY NOW STOCKING MUTE
GROSS MARGINS OF 70%+

A photograph of a person with long, wavy hair sleeping in a bed, covered with a textured blanket. The scene is dimly lit, with light coming from a window with blinds in the background. A large white circle is overlaid on the center of the image, containing the text 'INNOVATION PIPELINE' in a bold, black, sans-serif font.

**INNOVATION
PIPELINE**

DISRUPTIVE SOLUTION FOR THE GLOBAL DECONGESTANT MARKET



MUTE 'CLEAR'

- Targeting US\$8 Billion non-drug decongestant market
- 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 finalised and production scoping underway

DISRUPTIVE SOLUTION FOR THE GLOBAL AROMATHERAPY MARKET

MUTE 'CALM'

- Aromatherapy (non- drug) therapy market exploding (US\$8billion +)
- Targeting Sleep Aid/anxiety market
- 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 finalised and production scoping underway



DISRUPTIVE SOLUTION TO US\$8.8 BILLION OBSTRUCTIVE SLEEP APNEA MARKET



Obstructive Sleep Apnea affects millions of patients. Market is hampered by three key problems:

1. Lack of early diagnosis

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

2. Poor compliance rates

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

3. Therapy cost/value equation

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

RHINOMED'S INTRANASAL POSITIVE EXPIRATORY AIRWAY PRESSURE

IntraNasal Expiratory Positive Airway Pressure (INPEAP)

A new patented alternative to invasive CPAP and mandibular advancement technologies utilizing a valve system to create airway pressure

- 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
 - Program derisked through the growing acceptance of Mute



A close-up photograph of a laboratory setting. In the foreground, a pair of hands wearing white nitrile gloves holds a clear, rectangular petri dish. The petri dish contains a dark, circular sample. In the background, a white and black microscope is visible, with its objective lens and stage clearly shown. The lighting is soft and focused on the central elements.

NASAL DRUG
DELIVERY

NASAL DRUG DELIVERY - DELIVERING SUPERIOR PATIENT OUTCOMES

NASAL DRUG DELIVERY OFFERS SIGNIFICANT BENEFITS OVER OTHER DELIVERY MODES:

Rapid absorption
and higher
bio-availability

Fast onset of
therapeutic mode
of action

Avoidance of
first pass through
the liver

Self medication
and titration

Reduced risk of
overdose

Rapid absorption
and higher
bio-availability

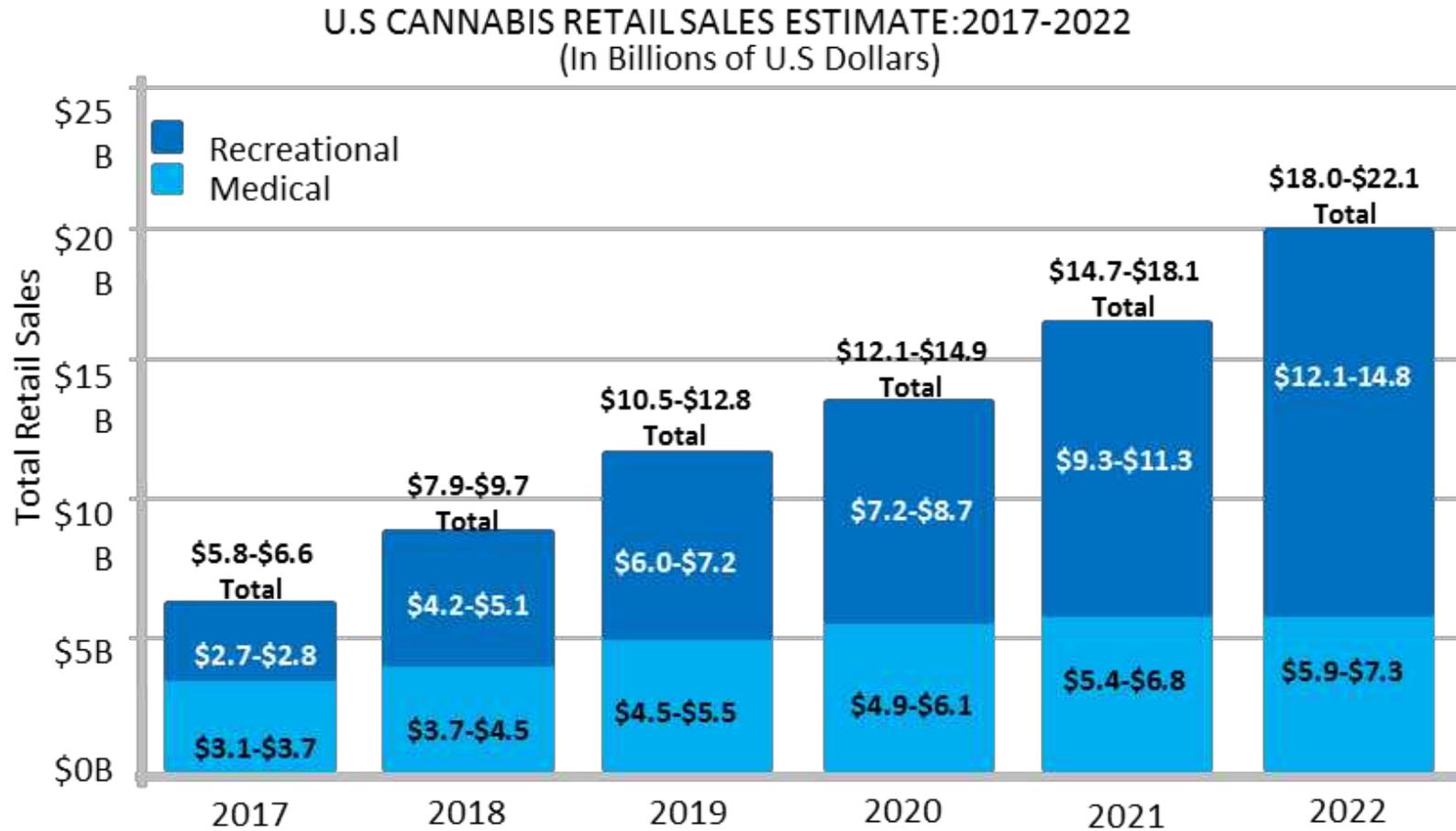
Fast acting and
long release
delivery applications

Ability to
micro/low dose

Several drug candidates and conditions lend themselves to nasal delivery

MIGRAINE | HORMONE AND NICOTINE REPLACEMENT | VACCINES | ALLERGY | ALLERGIC RHINITIS | PAIN | CNS
DISORDERS | ENDOCRINE & METABOLIC DISORDERS | RESPIRATORY DISORDERS | NASAL POLYPS|
ALZHEIMERS

MEDICAL CANNABIS – A NEW THERAPEUTIC MARKET



Source: Marijuana Business Daily

US, Canada and Europe leading the way

US is the largest single market opportunity

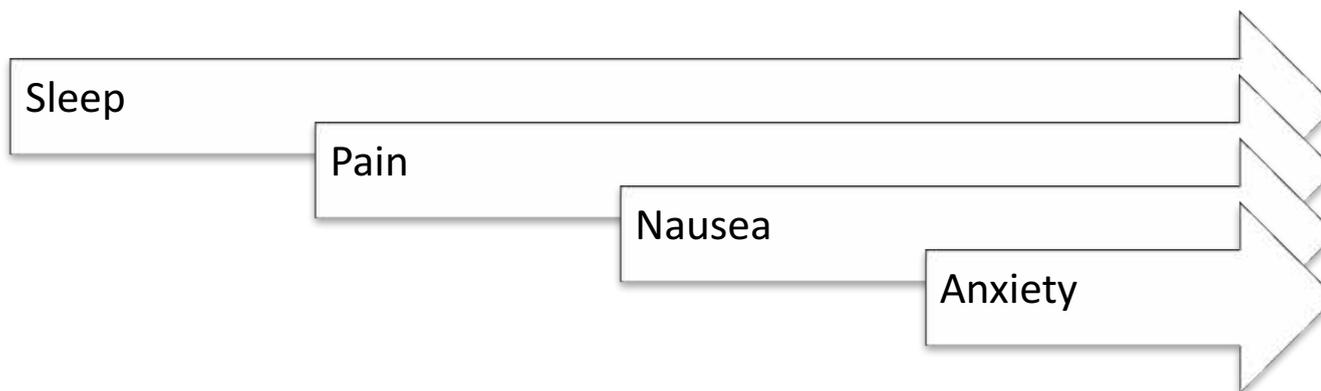
THE CHALLENGES WITH EXISTING MEDICAL CANNABIS DELIVERY FORMATS



EXISTING MEDICAL CANNABIS DELIVERY FORMATS FACE RESISTANCE AND BARRIERS TO MAINSTREAM CLINICIAN ACCEPTANCE AND ADOPTION

- Vapes (Smoking), edibles, tinctures and topicals currently lack:
 - Formulation consistency/quality
 - Dosing repeatability
 - Dosing reliability
 - Dosing predictability
- *'Prescription accuracy'* is a clear barrier to clinician adoption and acceptance
- The lack of a *reliable medicalised delivery solution* presents a very real problem to mainstream acceptance by both clinicians and regulators alike
- "Legalization" does not mean you can drive or attend work under the influence!

OPTIMISING MEDICAL CANNABIS FORMULATIONS THROUGH NASAL DELIVERY



A Clinically relevant, pharmaceutical quality range of products that nasally deliver a precise and targeted amount of medical cannabis to address specific unmet clinical needs:

- Dose controlled - Low/micro dosing
- Controlled or sustained (Up to 8hr) release and/or quick onset
- Compelling safety profile - Instant removal in case of side effect
- Multiple deliverable modes and dosage options (transdermal/inhaled/transmucosal)
- Existing solutions significantly de-risk acceptance

Common Qualifying Conditions for Medical Cannabis Treatment In States Where Cannabis is Legal for Medicinal Use ¹			
Alzheimer's	ALS	Anorexia	Arthritis
Cachexia	Cancer	Chronic Pain	Crohn's Disease
Epilepsy	Glaucoma	Hepatitis C	HIV/AIDS
Inflammation	Migraines	Multiple Sclerosis	Nausea
Nervous Sys Degeneration	Parkinson's	PTSD	Spasms

¹ Ackrell Capital research report. "In states where cannabis is legal for medicinal use, patients may possess and use cannabis if they qualify under the state medical requirements and otherwise satisfy state law. To qualify for medicinal cannabis, patients must have at least one of the medical conditions designated under their state's laws. In aggregate, more than 40 qualifying conditions have been so designated."

COLUMBIA CARE AND RHINOMED



COLUMBIA CARE IS THE IDEAL PARTNER FOR RHINOMED

- The leading player in the US market - the world's largest and fastest growing cannabis market.
- Vertically Integrated with the most Licenses of any U.S. Operator
- The ability to reach almost 50% of the US population with 33 licenses across 13 U.S. markets.
- 12 grow/manufacturing facilities and 16 dispensaries by 2018YE with licenses and capital to build out to 60+ dispensaries by 2019YE.
- Global agenda
- Powerful partnership and Licensing deal:
 - 12 year US exclusive deal
 - Cost Plus Double digit royalty return
 - PLUS Double digit profit share depending on distribution channel

LEVERAGING RHINOMED'S GLOBAL SLEEP FRANCHISE



THE POTENTIAL TO CHANGE THE PARADIGM IN SLEEP

- Medical cannabis and sleep is a well researched area. A potential new product could leverage Rhinomed's existing franchise:
 - 11,000 stores globally already selling Rhinomed technology
 - Tens of thousands of people already using Mute to assist with sleep and respiration
 - Growing number of clinicians already recommending Rhinomed technology as a stand alone or companion therapy
 - Potential to provide a totally new treatment mode across a range of sleep related conditions

CAN A NASALLY DELIVERED CANNABINOID FORMULATION CHANGE THE WAY WE TREAT OBSTRUCTIVE SLEEP APNEA?

- A Phase 2 Study *Cannabinoid Therapy of Apnea - Carley et al, Sleep 2018 Jan 1:41(1)* demonstrated that an oral version of Dronabinol (Delta 9-THC) showed some potential application as an OSA - Cannabinoid receptor agonist.
- Statistically significant improvement in primary outcomes including lowering AHI, reducing daytime sleepiness and improving treatment satisfaction.
- ***The Key challenge - finding a reliable and acceptable dosing and targeted delivery system.***

INVESTMENT PROPOSITION



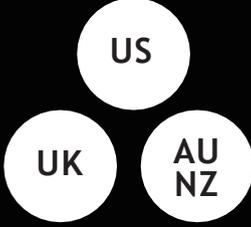
MARKET

- Compelling Products in growing global markets
- Compelling pipeline of next generation products
- Licensing opportunities into high value Rx and OTC markets.



DISTRIBUTION

- Business is rapidly expanding the revenue base through a global distribution footprint
- Partnering with worlds leading pharmacy chains and retailers
- Adoption and acceptance by clinicians



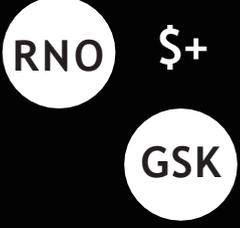
KEY FOCUS

- Driven by globally experienced board and management team
- Clear focus on three key growth markets:
 - USA & CANADA
 - UK
 - Aust/NZ Base



NEAR-TERM NEWS FLOW

- Growing the number of distributors and retailers
- Product extensions
- Further progress in medical cannabis



COMPELLING INVESTMENT COMPARATOR

- Breathe Right™ Strip had Peak revenues of approximately US\$150m
- Purchased by GSK n 2007 for US\$ 566m

RHINOMED – ASX:RNO

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