

RHINOMED DELIVERS MAJOR MILESTONE: PRONTO TO APPEAR IN 6,336 NEW STORES IN US

- **Leading US drugstore chain to add decongestion technology - Pronto Clear**
- **Stock to appear in 6,336 stores from September 2020**
- **Rhinomed delivers CY2020 milestone – 20,000+ stores**

10 June 2020. Melbourne, Australia:

Rhinomed Limited (ASX:RNO, OTCQB: RHNMF), a leader in nasal and respiratory technology and the maker of Mute™ and Pronto™, today announces it has received purchase orders confirming a major distribution expansion of its Pronto Clear nasal decongestion technology within one of the largest and leading pharmacy and drugstore chains in the USA.

This major US drugstore chain currently stocks the Mute and Pronto Sleep technologies in its Sleep categories and has now placed orders for Pronto Clear. The retailer has confirmed that from September Rhinomed's Pronto Clear product will be ranged on shelf in the Cough, Cold and Flu category in 6,336 of its stores across the US.

This major expansion means that the target Rhinomed set itself in late 2019, when it stated that its growth aspirations were underpinned by growing its store count from 13,000 to 20,000 stores globally by the end of the 2020 calendar year, has been achieved six months ahead of schedule.

Pronto Clear addresses unmet needs in the US\$34 billion (\$49.3 billion) global market for nasal decongestion, cough, cold and allergy treatments. Pronto Clear is a unique vapour inhaler that gently opens the nose and delivers a blend of six pure essential oils traditionally known to help clear a stuffy nose naturally. In a user trial with 60 people¹, 89% of people who had a blocked or stuffy nose found Pronto cleared their noses before they fell asleep. Pronto Clear (and Pronto Sleep) is registered with the US Food & Drug Administration (FDA) and Australia's Therapeutic Goods Administration (TGA) as a Class 1 medical device, and also has the CE Mark clearance for sale in the European Union (EU). Pronto Clear retails for US\$16.99 a pack.

There are limitations under the order agreements on the disclosure that Rhinomed can currently provide to investors, as a guide it can provide the following information:

- Details regarding the identity of the retailer will be announced in line with stock appearing on shelf in the USA in August/September.
- The company has now received the initial opening orders and expects more orders to follow.
- Revenues from this expansion in retail distribution are not expected to impact the business until FY21 Q2 at the earliest.
- The agreement has no fixed term and can be terminated by either party
- Pricing details remain confidential

“This is a significant expansion in our global distribution network,” says Rhinomed CEO and Managing Director, Michael Johnson. “To put that in context, there are now more ‘new’ stores stocking Rhinomed’s products than there are pharmacies in Australia².”

“We outlined our door growth program late in 2019 and delivered a strong quarter in FY20 Q3. While the COVID-19 pandemic has had a well documented impact on consumer foot traffic globally, this significant growth in our global retail distribution footprint provides us with confidence that the company is on track to achieve its long term goals.”

Pronto Clear is another example of the flexibility and value of Rhinomed’s nasal technology platform. Whether it’s nasal stenting which aids breathing (Turbine or Mute), the vapour release delivery applications such as Pronto Clear or Pronto Sleep or more sophisticated drug delivery applications, the Rhinomed platform is able to tick a lot of boxes for potential medical device and drug developers who are thinking about how they access the human body.

The Rhinomed technology platform provides a truly unique proposition: In situ, long delivery with the ability to dial up or dial down delivery load and delivery time to suit both patients and the specific drug. In addition, nasal delivery avoids that ‘first pass’ through the liver, which has been problematic for many drugs. With growing consumer acceptance of the Rhinomed core consumer health products, the company is in turn de-risking clinical and patient acceptance and compliance for more sophisticated nasal medical devices and drug delivery applications.

While distribution announcements always preempt recognised revenues, Rhinomed now has added confidence in the execution of the next stage of its growth plan, which projects expansion into 30,000 stores (and grocery/convenience stores, where applicable) globally by the end of 2021.

For more information about Rhinomed’s exciting technology, please visit www.rhinomed.global

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About Rhinomed Limited (ASX: RNO, OTCQB:RHNMF)

Rhinomed Limited is a Melbourne based ASX listed airway technology company that has developed a simple and innovative nasal stent to improve air flow to the lungs and deliver therapeutic agents.

With its initial product Turbine, Rhinomed has established a leading position in sports performance enhancement, as testified by athletes including two-time Tour de France winner Chris Froome. With its variant called Mute, the company has also entered the global snoring market while its third product, the Pronto range, tackles nasal congestion and sleep disturbance issues. The company is also developing applications for the delivery of medical cannabis products for conditions including anxiety, pain, allergies, nausea, anxiety and coughs and colds.

Rhinomed's devices are set to be sold in over 20,000 stores worldwide including Walgreens, CVS, Boots and online with Amazon; and are approved in major markets including the US, Europe and Australia.

www.rhinomed.global

1. 2019 User Trial. Colmar Brunton, n=61.
2. <https://www.ibisworld.com/au/industry/pharmacies/1878/>