

## **RHINOMED LAUNCHES FULLY UNDERWRITTEN RIGHTS ISSUE**

*Not for release to US wire services or distribution in the United States except  
to Eligible Shareholders*

### **KEY HIGHLIGHTS:**

- **Rhinomed to undertake a fully underwritten 5 for 12 pro rata non-renounceable rights issue to shareholders to raise approximately A\$3.54 million**
- **Funds raised will drive growth in the company's key market, the USA and Australia, support Rhinomed's leading products, including Mute Snoring Dilator and Mouth Tape, Turbine, and provide additional working capital.**
- **Issue fully underwritten by Rhinomed's largest investor**

### **24 July 2024 Melbourne, Australia.**

Rhinomed Limited (**Rhinomed** or **Company**), a leader in nasal airway and respiratory technology, today announces a fully underwritten non-renounceable rights issue of fully paid ordinary shares, to raise approximately A\$3.54 million.

The funds raised will be used to drive growth in the Company's major markets; support the Company's leading products, including the Mute range of products (Nasal Dilator, Mouth Tape, Turbine Nasal Dilator) and the Rhinoswab range of nasal swabs; pay down some existing debt of the Company; provide general working capital and the costs of the rights issue.

Rhinomed's technology has been developed and commercialised in large addressable markets in sport, sleep disorders and point of care diagnostics. The Company intends to grow its presence and market share across these rapidly growing. The funds raised in this rights issue will play a crucial role in the roll-out of this brand and market expansion strategy.

"This rights issue comes at a time when Rhinomed is experiencing rapid growth across all its major markets. The Company recorded revenues in FY24 of \$9.2m (unaudited), up 21% year on year." said Rhinomed CEO, Michael Johnson. "We have put in place a growth strategy that will see our Mute Nasal Dilator and recently released Mouth Tape grow their presence across our retail network. We are progressing through the regulatory pathway with our Rhinoswab and Rapid Antigen Testing Partners and are focused on driving the business to a breakeven and profitable position via the right sizing program."

"We are particularly heartened by the support for this raising of our largest shareholder, and we are confident that it will be similarly supported across the entire shareholder base," Johnson added.

The offer price of 3 Australian cents (A\$0.03) per new share represents:

- a) a 25% discount to:
  - i. the price at which the Company undertook its unmarketable parcel buy back and share purchase plan in January 2024; and
  - ii. the price at close of trade on the last day the Company was listed on the ASX; and
- b) a 25% premium to the 30-day VWAP before the Company was delisted.

The rights issue will be *pro rata* to all existing shareholders with a registered address in Australia and New Zealand. Existing shareholders who are US residents may only participate to the extent they are an “accredited investor” as defined in Rule 501(a) under the US Securities Act. Together, these categories comprise the “eligible shareholders.”

The rights issue is fully underwritten by the company's largest shareholder, US-based investor Mr Whitney George, the Chief Executive Officer of Sprott Inc. (USA), who has also committed to subscribe for his entitlement under the rights issue. The prospectus for the rights issue, lodged with the Australian Securities & Investments Commission (**ASIC**) today – and which is to be dispatched to eligible shareholders on Wednesday, 24 July 2024 – contains important information about the control implications of the underwriting. Until this time, a copy of the prospectus can be obtained by contacting Automic on [custodialcertificates@automicgroup.com.au](mailto:custodialcertificates@automicgroup.com.au) and requesting a copy.

Under the rights issue, eligible shareholders will be able to subscribe for 5 New Shares for every 12 existing shares held at 7.00pm (Melbourne time) on Monday, 22 July 2024 (the record date) at the offer price. Eligible shareholders (other than Mr George) subscribing for their full entitlement will also have the opportunity to apply for additional new shares under a shortfall facility.

The entitlements are non-renounceable and non-transferable. The number of existing shares held by eligible shareholders who do not take up or sell their entitlements will not be affected. The Company has appointed a nominee to subscribe for and attempt to on-sell shares to which ineligible shareholders (that is, shareholders who are not eligible shareholders) are entitled (refer to the prospectus for further details).

Eligible shareholders should consider the prospectus in deciding whether to acquire new shares under the rights issue and will need to complete the personalised entitlement and acceptance form that will accompany the prospectus.

The following are indicative dates in respect of the rights issue:

<b>Event</b>	<b>Date</b>
Lodgement of Prospectus with ASIC	Friday, 28 June 2024
Lodgement of Replacement Prospectus with ASIC Announcement of Rights Issue	Tuesday, 23 July 2024
Record Date for determining Entitlements	Monday, 22 July 2024
Company sends Prospectus and Entitlement and Acceptance Form to Eligible Shareholders and announces that this has occurred Exposure Period ends and Rights Issue opens	Wednesday, 24 July 2024
Closing Date of Rights Issue (5pm AEST)*	Thursday, 22 August 2024
Announcement of results of Rights Issue, including any shortfall	Tuesday, 27 August 2024
Last date for issue of the Shares under the Rights Issue	Monday, 2 September 2024

\*All dates (other than the date of lodgment of the Prospectus with ASIC) are indicative only. The Directors may extend the closing date. The Company reserves the right, subject to the Corporations Act and other applicable laws, to vary any other date of the rights issue, including accepting late applications, either generally or in particular cases, without notice.

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This announcement has been authorised for release by the Board.

### Media Enquiries

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### About Rhinomed Limited

Rhinomed Limited is a Melbourne based airway technology company that has developed an innovative nasal technology platform that can improve air flow and provide both drug delivery and diagnostic capabilities.