

Rhythm Establishes US Entity To Drive US Expansion Strategy

- Rhythm has established a 100% owned US domiciled entity, IchorDX, Inc., as part of its US market entry plan;
- US entity enables optionality and a more focused commercial pathway for ColoSTAT[®] in one of the world's largest diagnostic markets;
- Mr David White resigns from Rhythm Board to join US subsidiary Board; and
- Initial US Board appointed, and discussions with US based advisers underway.

15 July 2021, Melbourne: Rhythm Biosciences (ASX: RHY) is pleased to announce that it has incorporated a United States domiciled company, IchorDX, Inc., as a 100% owned US subsidiary.

US Entity, IchorDX, Inc Established

Following Rhythm's confirmation of its FY'22 strategy announced in May 2021, the Company has now established a directly owned US entity, IchorDX, Inc., which will enable Rhythm to pursue its international expansion activities for ColoSTAT[®] in one of its largest priority markets.

The US represents one of the largest diagnostic markets in the world, with a current addressable market of over 94 million people. There is scope that this could grow in the short term by a further 21%, following the US Preventative Services Task Force recommendation that the colorectal cancer screening age be reduced from 50 to 45 years of age.

Further driving this initiative are the improving sensitivity and specificity results achieved by Rhythm in its ongoing studies, which comfortably meet US reimbursement requirements.

US Board Appointed

Initial IchorDX, Inc., Directors are:

- Mr Otto Buttula, President (currently Rhythm Non-Executive Chairman);
- Mr Glenn Gilbert, Vice President and Secretary (currently Rhythm CEO); and
- Mr David White, Non-Executive Director (ex-Rhythm Non-Executive Director and US based).

Resignation of Mr David White from Rhythm Board

Mr David White a non-executive director of RHY resigns from this position and has agreed to take up a role as non-executive Director of the new US subsidiary. Mr White, offers strong corporate memory, is a resident of Chicago, USA, and affords an immediate on-the-ground presence.

The Company is also in discussions with experienced US based executives and entrepreneurs, with a view to establishing an appropriately skilled Advisory Board. This will be aimed at

increasing corporate capability for partnership discussions, business development and regulatory activities.

Commenting on the establishment of IchorDX, Inc., Rhythm CEO, Glenn Gilbert said:

“The establishment of IchorDX, Inc., in the US demonstrates our commitment to accelerate our international expansion plans, offer additional optionality to our corporate structure and aim to create a global footprint for Rhythm’s transformative cancer detection technology.

The reality is that the global need for a simple and accurate mass screening blood test for colorectal cancer is growing. This first step to enter the US market moves Rhythm closer to meeting this need.”

Commenting on the resignation of Mr David White, Rhythm Chairman, Otto Buttula said:

“Mr White has been a Director of RHY since its IPO in December 2017. On behalf of the Board, we extend our gratitude to Mr White for his valued contribution during this time and we look forward to continuing our relationship in a more strategic, US focused capacity. David’s experience, insights and guidance within the US market will be invaluable for Rhythm’s US market entry via IchorDX, Inc.”.

With authority by the Board.

For further information, please contact:

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About Rhythm Biosciences

Rhythm Biosciences (ASX: RHY) is a transformative, predictive diagnostics company, specialising in early cancer detection. Rhythm’s initial business pursuit is centred upon technology originally developed by the CSIRO and involves the development and commercialisation of a screening and diagnostic test for the early detection of colorectal cancer, the third biggest cause of cancer-related deaths globally.

Rhythm’s lead product, ColoSTAT[®], is intended to be a simple, affordable, minimally invasive and effective blood test for the early detection of bowel cancer for the global mass market. It is expected to be comparable to, if not better than, the current standard of care, the faecal immunochemical test (FIT), at a lower cost. ColoSTAT[®] also provides an alternative for those who choose not to, or are unable to, be assessed using standard screening programs.

ColoSTAT[®] is designed to be used easily by laboratories without the need for additional operator training or additional infrastructure. ColoSTAT[®] has the potential to play an important role in reducing the morbidity and mortality rates and healthcare costs associated with colorectal cancer via increasing current screening rates.

Globally, over 850,000 people die from colorectal cancer each year. Colorectal cancer is typically diagnosed at a later stage when there is a poor prognosis for long-term survival. Annual estimated unscreened 50-74-year old’s is estimated at +130m for the US, EU and AU alone, with this market potential being more than \$6.5b.