

# **RHINOMED LIMITED**

INTERNAL NASAL TECHNOLOGY PLATFORM

APRIL 2015 SHAREHOLDER UPDATE

## **FORWARD LOOKING STATEMENTS**

Statements contained in this release that are not historical facts are “forward-looking” statements as contemplated by the Private Securities Litigation Reform Act of 1995. This presentation contains forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks that may cause the actual results, performance or achievements of RhinoMed Ltd to be materially different from the statements in this presentation.

Actual results could differ materially depending on factors such as the availability of resources, the results of clinical studies, the timing and effects of regulatory actions, the strength of competition and the effectiveness of the Company's patent protection. RhinoMed does not undertake to update its forward-looking statements.

**RADICALLY IMPROVE**  
THE WAY YOU BREATHE,  
SLEEP,  
MAINTAIN YOUR  
HEALTH,  
AND TAKE MEDICATION.

## WHO IS RHINOMED?

- **A nasal and respiratory medical technology company based in Melbourne, Australia**
- Rhinomed develops, markets and partners it's internal nasal technology platform into multiple form factors - internal nasal devices
- Focus is unmet needs in sport & exercise, sleep (snoring, sleep quality and sleep apnea), wellness and drug delivery

### Management

Michael Johnson – CEO

Justine Heath – COO/CFO

Dr Mitch Anderson – Chief Medical Advisor

Matt Hurle – VP Sales

Christian Johnson – GM America

### Board

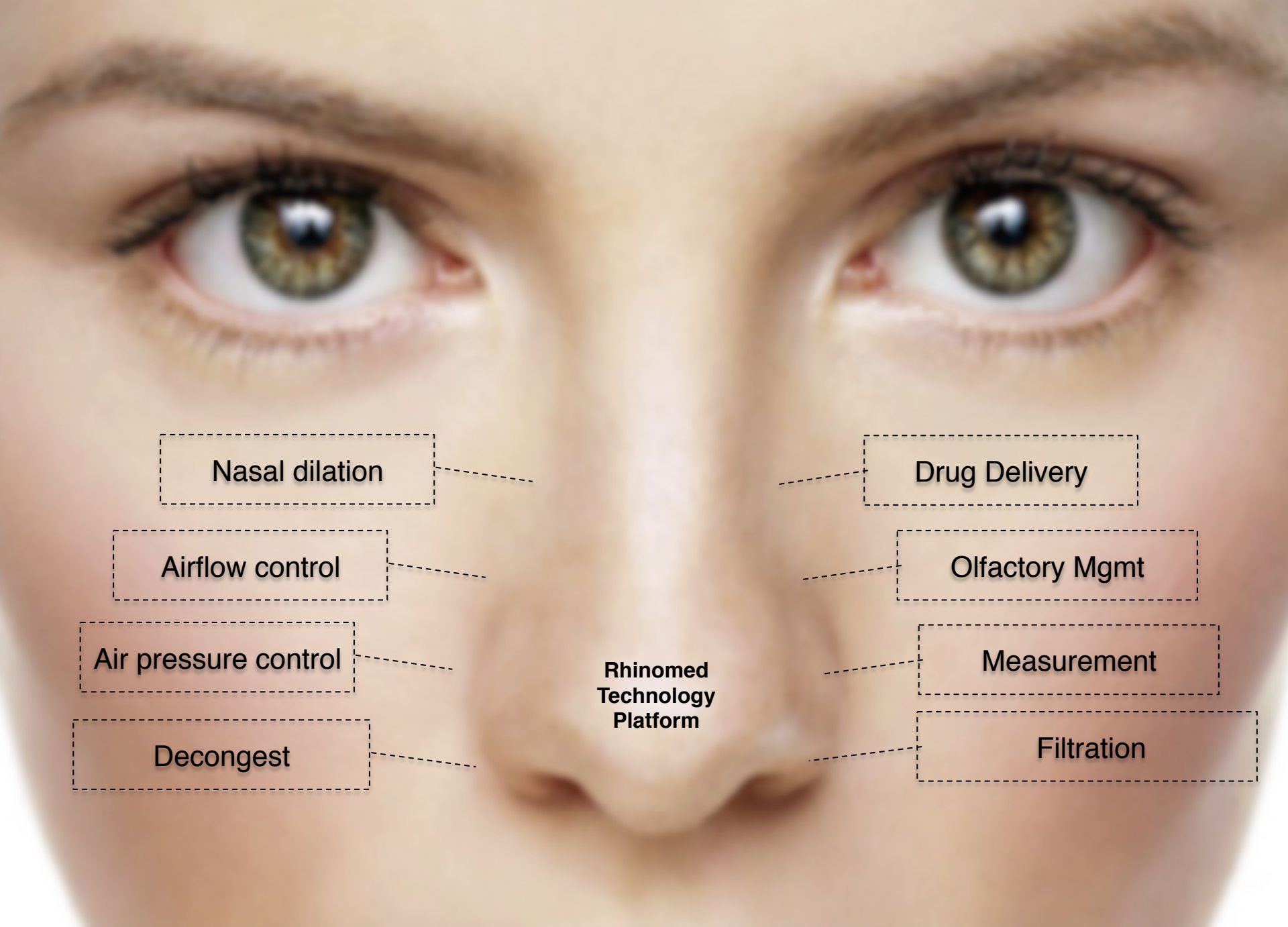
Martin Rogers - Chairman

Brent Scrimshaw - Non Executive Director

Dr Eric Knight - Non Executive Director

Michael Johnson – Managing Director

Philip Hains – Company Secretary



Nasal dilation

Airflow control

Air pressure control

Decongest

Rhinomed  
Technology  
Platform

Drug Delivery

Olfactory Mgmt

Measurement

Filtration

# CLINICAL PROGRAM

Rhinomed Platform technology

1

# SPORT & EXERCISE

Entry market and socialization strategy

2

# OTC SLEEP MARKET

Snoring and sleep quality

3

# SLEEP APNEA

Clinical applications

4

# WELLNESS

Targeting global decongestion, allergy markets








5

# DRUG DELIVERY

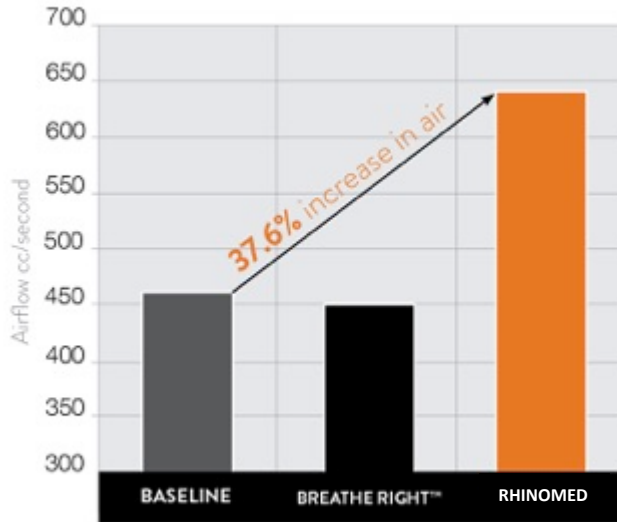
Acute migraine – sumatriptan – Phase 1 clinical trial

6

## ESTABLISHED CLINICAL PROGRAM

	Preclinical	Phase 1			Regulatory	In Market
OTC Dyspnoea in Sport and Exercise						<ul style="list-style-type: none"> <li>• FDA</li> <li>• CE Mark</li> <li>• <b>Early Revenues</b></li> </ul>
	User Trial					
OTC Snoring and Sleep Quality						<ul style="list-style-type: none"> <li>• FDA</li> <li>• CE Mark</li> <li>• <b>Early Revenues</b></li> </ul>
	Preclinical	Phase 1	Phase 2	Phase 3	Regulatory	In Market
Sleep Apnea		Awaiting ethics approval				
Drug Delivery – Acute Migraine (sumatriptan)		Program Underway				
Hayfever - OTC						
Congestion - OTC						
Anxiety -OTC						

## INITIAL STENTING CLINICAL TRIAL

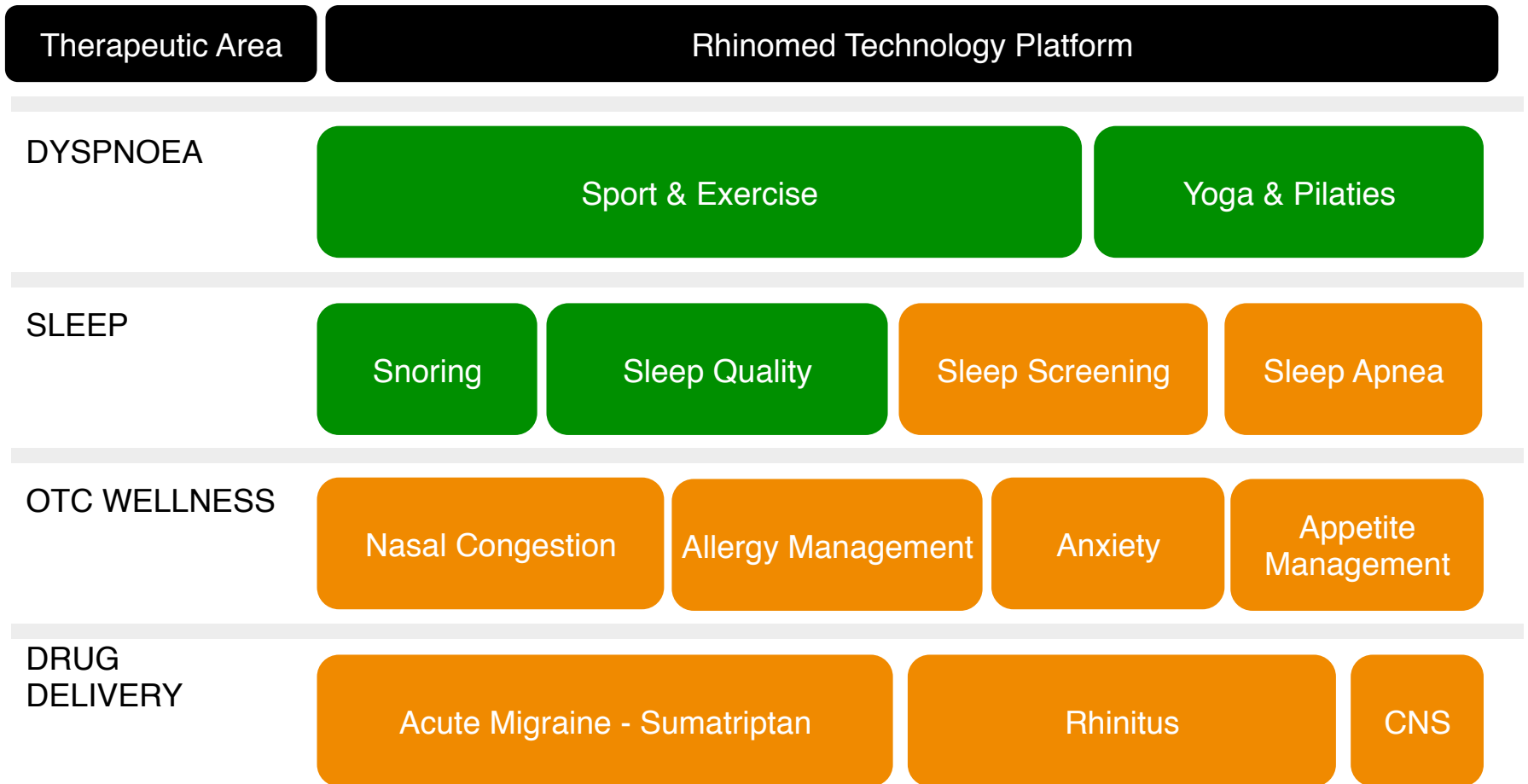


Stenting the nose with the Rhinomed technology delivered an average of 642.8cc/sec **(37.6% increase)** in airflow through the nose

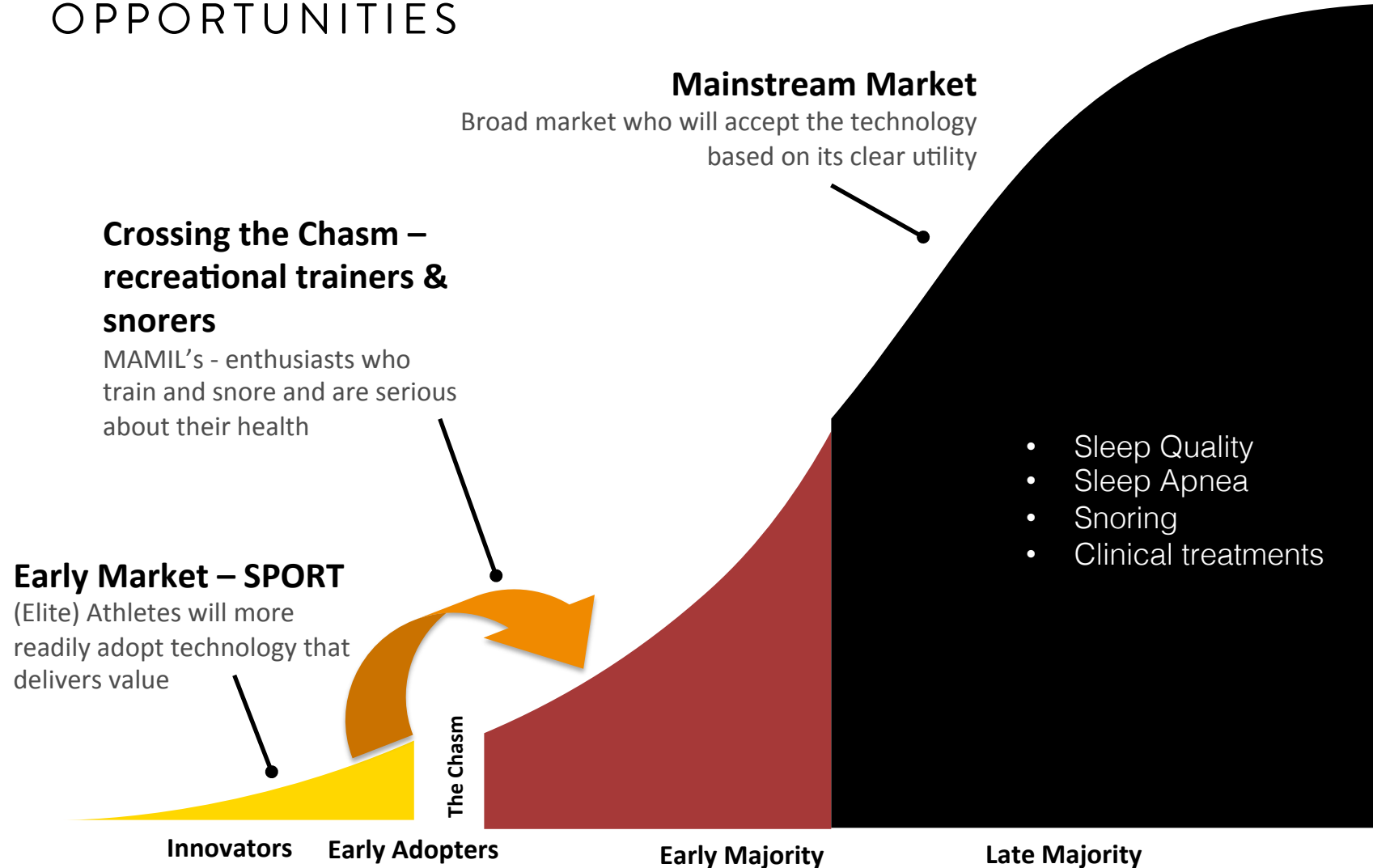
- Independent Phase One, proof of principle, clinical trial carried out at the Royal Victorian Eye & Ear Hospital
- Randomised cross over study (n=20) comparing the RNO001 technology against BreatheRight strips and baseline.



## MULTI-PRODUCT PIPELINE - PLATFORM TECHNOLOGY



# SUCCESS IN EARLY MARKETS DE-RISKS LATER OPPORTUNITIES



# CLINICAL PROGRAM

Rhinomed Platform technology

1

# SPORT & EXERCISE

Entry market and socialization strategy

2

# OTC SLEEP MARKET

Snoring and sleep quality

3

# SLEEP APNEA

Clinical applications

4

# WELLNESS

Targeting global decongestion, allergy markets

5

# DRUG DELIVERY

Acute migraine – sumatriptan – Phase 1 clinical trial

6

# THE SECRET TO EASIER BREATHING IS RIGHT UNDER YOUR NOSE.

**TURBINE**  
MAKE EVERY BREATH COUNT

The challenge of pushing yourself further has always been right in front of you. Until now. Introducing Turbine, technology that can allow you to inhale 30% more air, giving you 60% more power when you need it most. So the next time you exercise, breathe easy with the Turbine.

**CATCH YOUR BREATH AT [THETURBINE.COM](http://theturbine.com)**



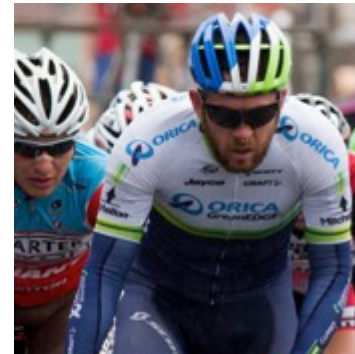
# THE TURBINE

- Registered with US FDA, CE Mark Australian TGA
- Starter pack containing 3 sizes - \$14.95
- Refill 3 pack - \$29.95 retail
- Approximately 10 uses per product (\$1 a day)
- Optimizing and controlling airflow has advantages in sport and aerobic performance
- Sold on line and through sporting goods stores
- Shipping directly to consumers in over 36 countries since launch in January 2014
- New design began shipping mid February



**BUY NOW AT**  
**[www.theturbine.com](http://www.theturbine.com)**

## USED BY A GROWING LIST OF LEADING ATHLETES







CHRIS FROOME – 2013 WINNER OF THE TOUR DE FRANCE

## EARLY ADOPTER TO MAINSTREAM GROWTH



**58.5million**  
Americans used health clubs in 2012



**24.3million**  
Americans attended Yoga Studios in 2013



**46.6million**  
Americans cycled recreationally in 2013



## OPERATIONAL FOCUS

- CY15 Targets:
  - Currently distributed in 17 countries – strong Asian presence
  - Focus on distribution in North American market
  - Expand retail presence
  - Push online – Performance, Endurance & Recovery
  - Drive support and usage amongst cycling, triathlete, running and then gym/health club clientele
  - Breakeven in Sport Business
  - Key opportunities:
    - European Cycling Tour
    - US interbike expo

# CLINICAL PROGRAM

Rhinomed Platform technology

1

# SPORT & EXERCISE

Entry market and socialization strategy

2

# OTC SLEEP MARKET

Snoring and sleep quality

3

# SLEEP APNEA

Clinical applications

4

# WELLNESS

Targeting global decongestion, allergy markets

5

# DRUG DELIVERY

Acute migraine – sumatriptan – Phase 1 clinical trial

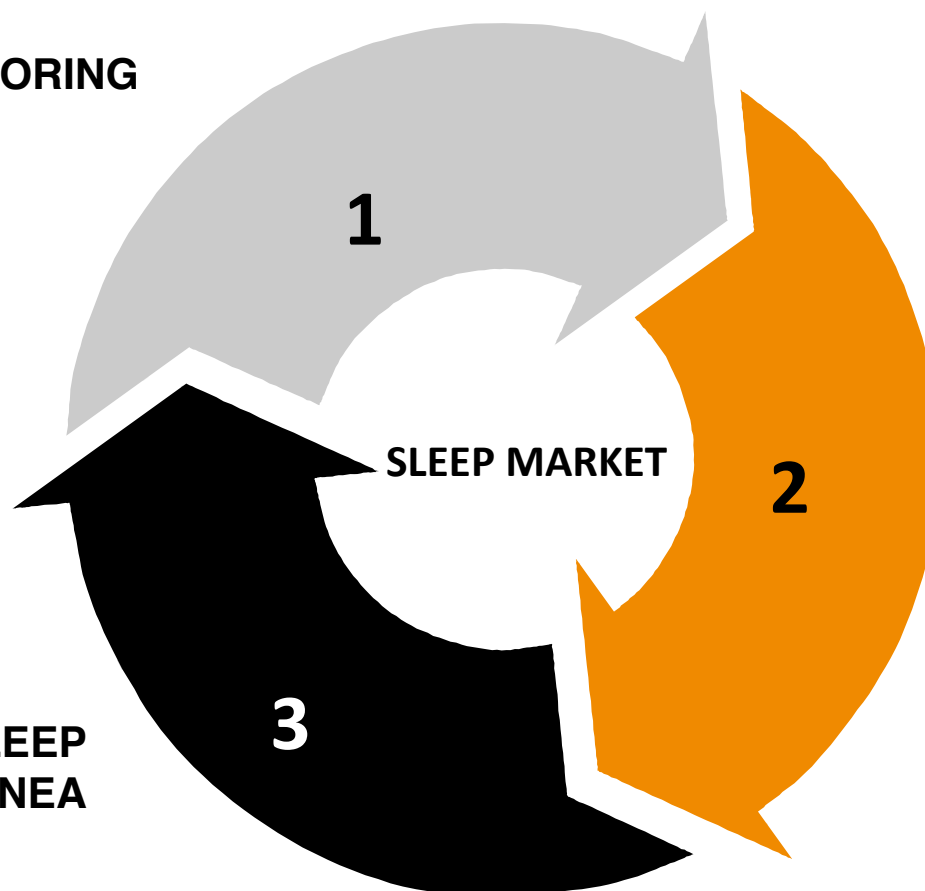
6

## CLEAR LINEAR PROGRESSION IN SLEEP MARKET

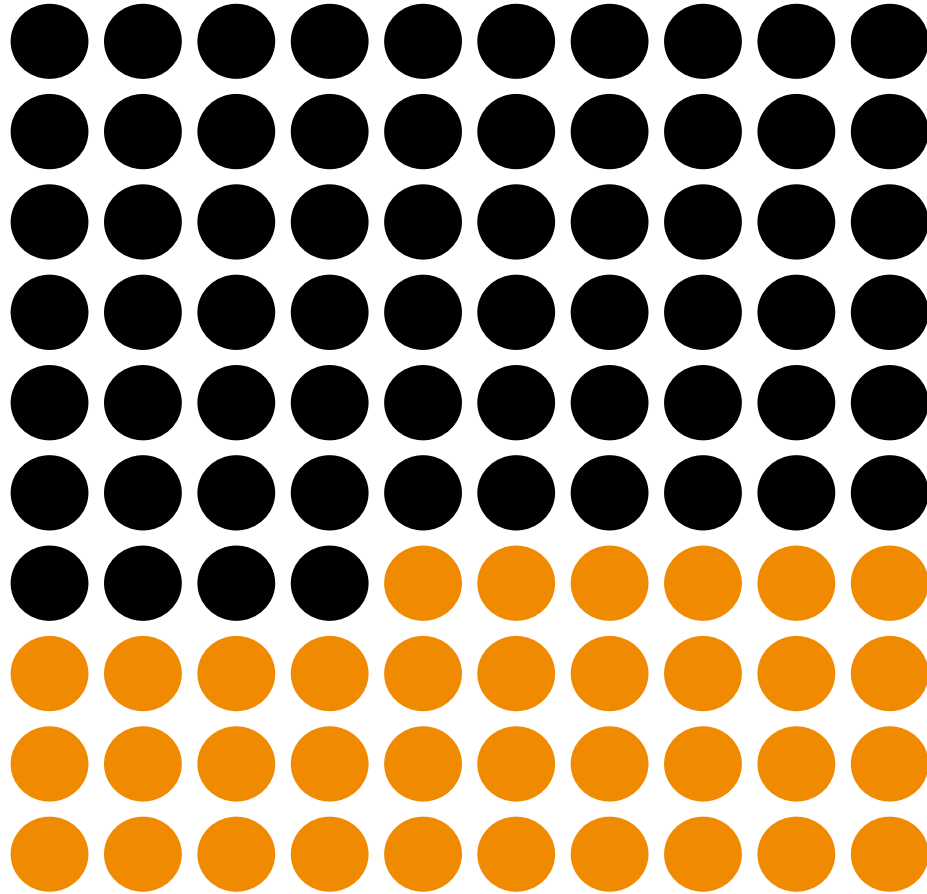
**PHASE 1- OTC SNORING**

**PHASE 3 - SLEEP  
APNEA**

**PHASE 2 - SLEEP  
QUALITY**



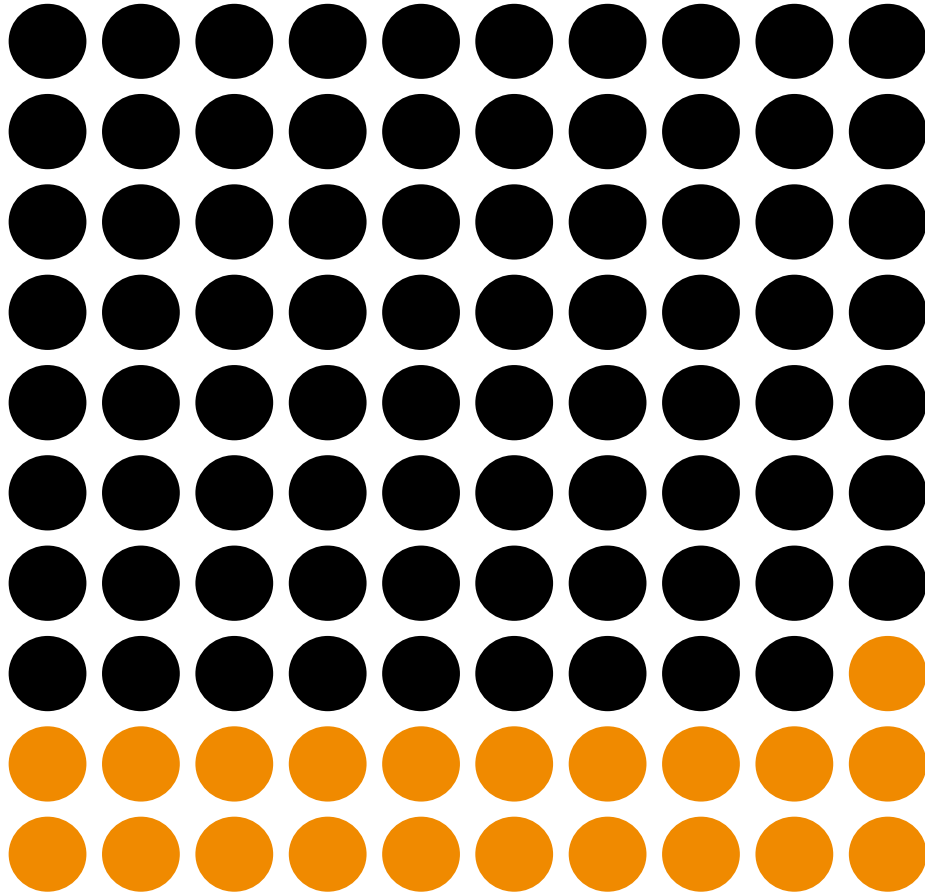
## SNORING IS A REAL ISSUE FOR MANY



64%

OF AMERICAN HOUSEHOLDS  
HAVE ONE OR MORE  
MEMBERS WHO SNORE  
REGULARLY

## IMPACTS THE SNORER AND THEIR PARTNER



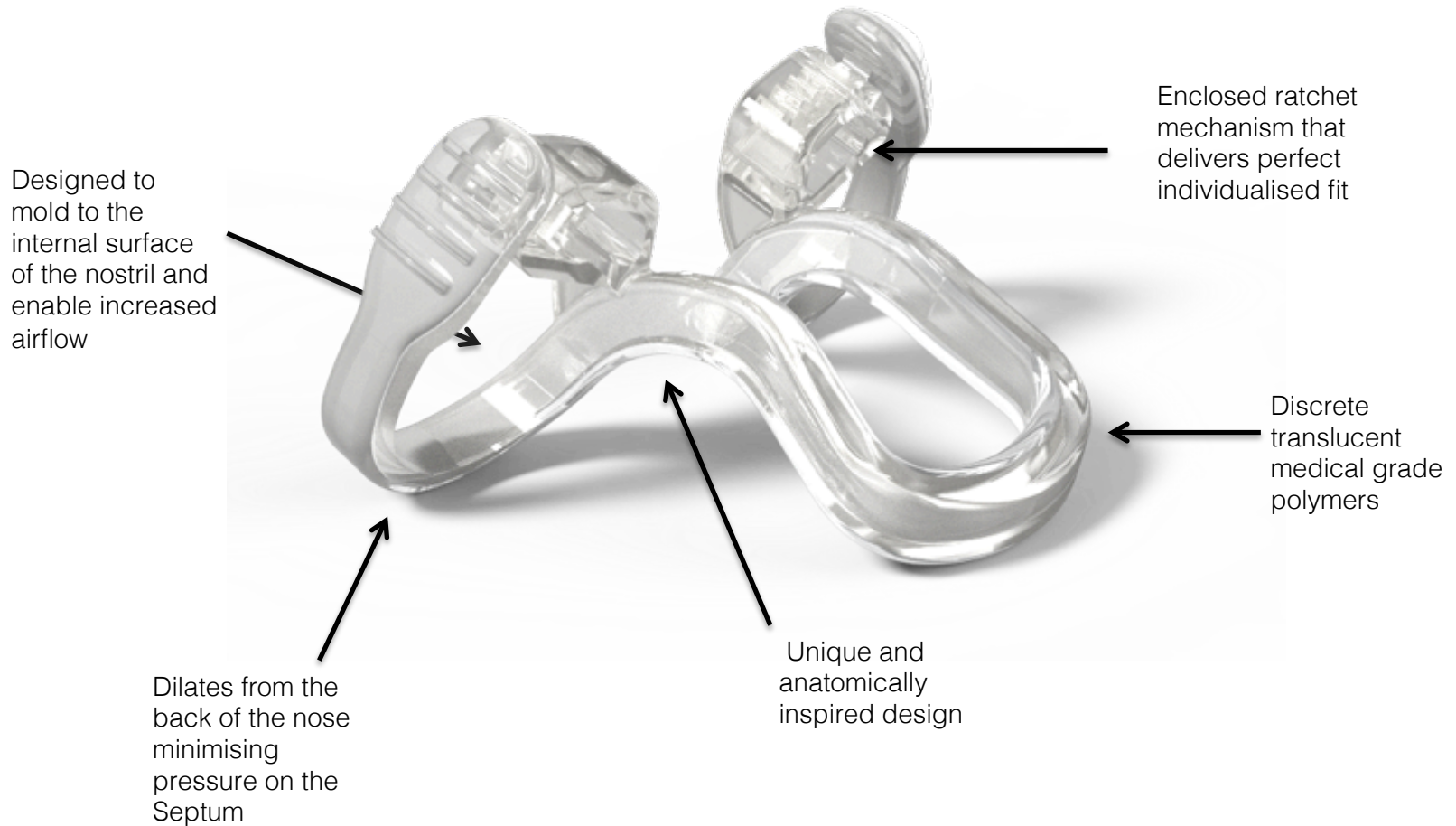
# 79%

OF THE SUBJECTS REPORTED  
THEIR PARTNERS SNORING  
EFFECTED THEIR ABILITY TO  
GET AN UNINTERRUPTED  
SLEEP

mute

BREATH E MORE  
SNORE LESS

## **ANATOMICALLY INSPIRED, DESIGNED FOR COMFORT**



## **AUSTRALIAN DISTRIBUTION NOW ROLLING OUT**

- Registered with US FDA, European Authority (CE Mark), Australian TGA
- Available as:
  - Starter pack containing 3 sizes
  - Refill pack in Small, Medium, Large
- Recommended Retail Price
  - Starter pack \$19.95
  - Refill pack \$29.95
- Achieve ten nights per device - \$1 a day
- Distribution
  - Sold online at [www.mutesnoring.com](http://www.mutesnoring.com)
  - Wholesaled through Symbion
  - Retailing through Chemmart - over 1200 stores

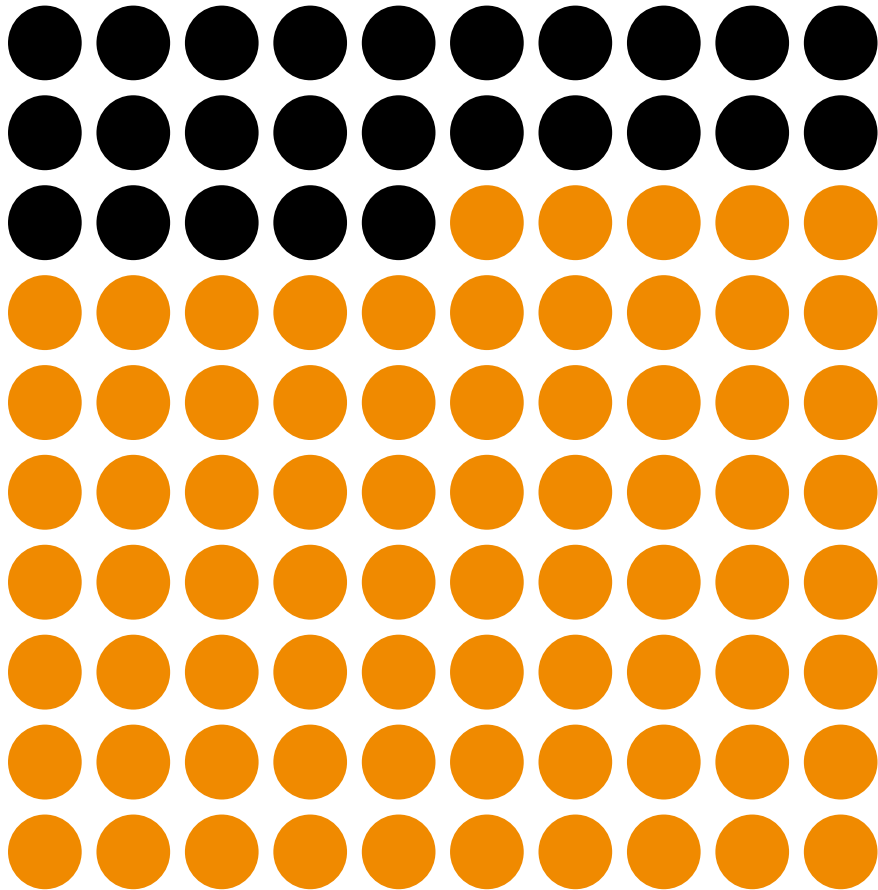




## SLEEP OPERATIONAL FOCUS

- CY15 Targets:
  - Secured one major distributor, seek broader base in Australia
  - Focus on distribution in North American and European markets
  - Strong push into online ecommerce with an emphasis on repeat purchase
  - Establish strategic partnerships with affiliated brands/companies
  - Position MUTE brand as premium front line snoring/sleep solution to the \$32.8 billion sleep market

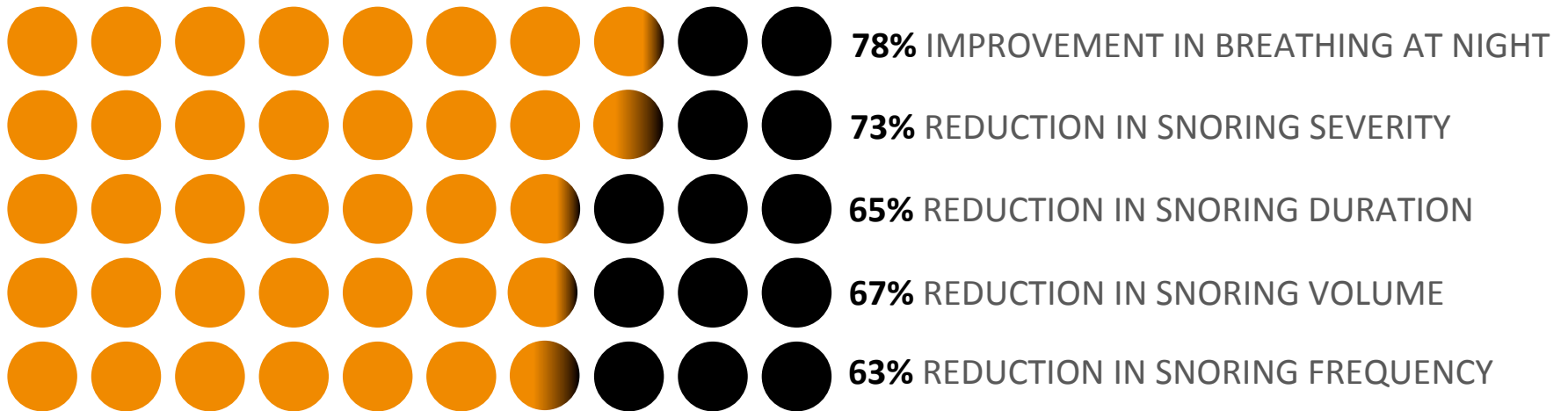
## MUTE WORKS - IN HOME USER PRODUCT TRIAL RESULTS



# 75%

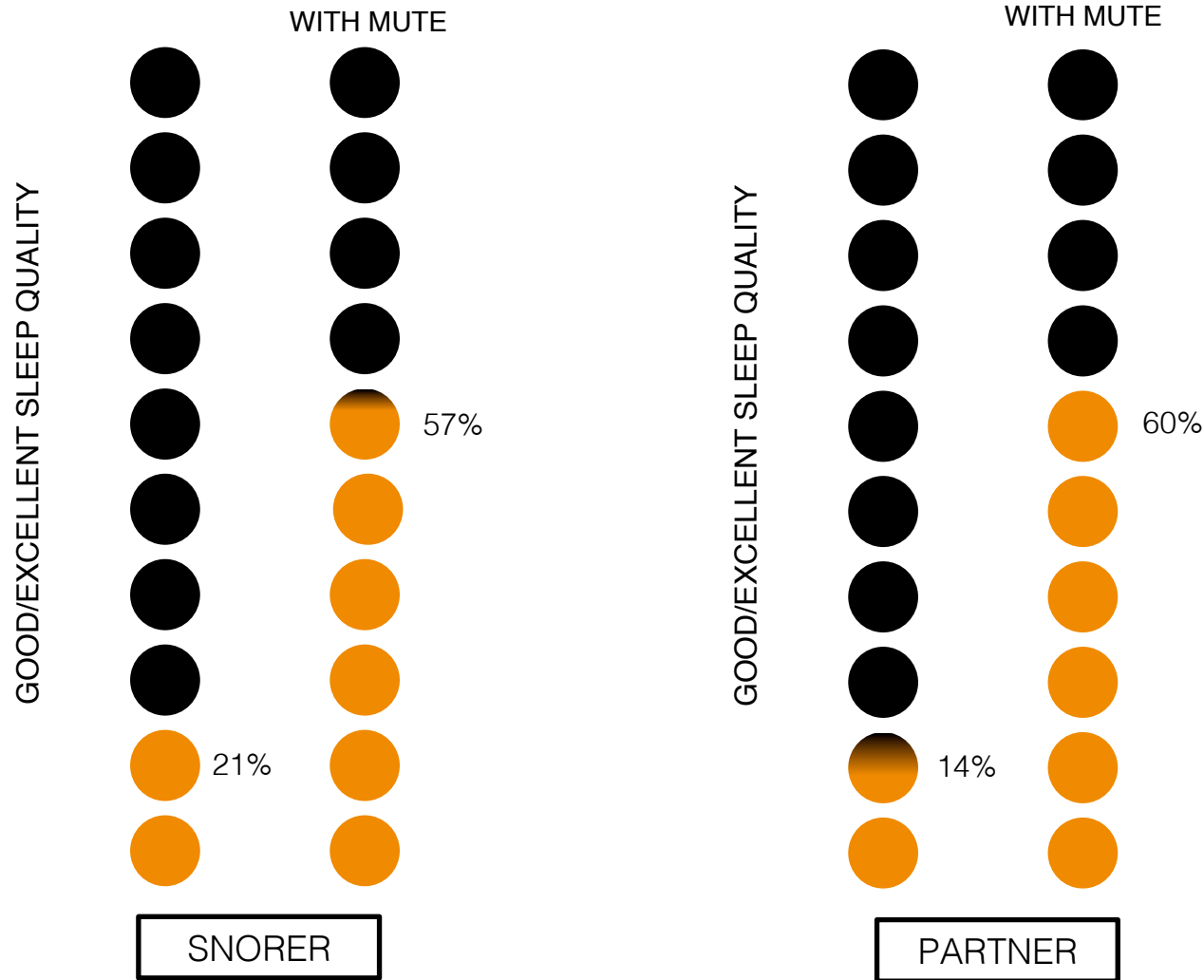
OF THE SUBJECTS REPORTED  
A REDUCTION IN SNORING

## MUTE USERS SAW IMPROVEMENT ACROSS THE BOARD



2014 USER TRIAL N=236 INCLUDING 5 DAYS OF CONTINUAL USE

## SLEEP QUALITY **DRAMATICALLY IMPROVED**



2014 USER TRIAL N=236 INCLUDING 5 DAYS OF CONTINUAL USE

# CLINICAL PROGRAM

Rhinomed Platform technology

1

# SPORT & EXERCISE

Entry market and socialization strategy

2

# OTC SLEEP MARKET

Snoring and sleep quality

3

# SLEEP APNEA

Clinical applications

4

# WELLNESS

Targeting global decongestion, allergy markets

5

# DRUG DELIVERY

Acute migraine – sumatriptan – Phase 1 clinical trial

6

## SLEEP APNEA – A BILLION DOLLAR MARKET

### Wisconsin Sleep Cohort Study (WSCS)

	Classification	%	US Pop'n Prevalence
FEMALE	MILD	9%	14 million
	SEVERE	4%	6.2 million
MALE	MILD	24%	36.8 million
	SEVERE	9%	13.8 million

50.8 MILLION PATIENTS

- REVENUES – CURRENTY \$19BILLION
- Vast majority of patients remain undiagnosed
- According to McKinsey & Co analysis (Harvard Medical School, 2010) the Annual total costs of OSA is \$165 billion

## WITH A **BILLION DOLLAR PROBLEM**



- **80%** OF THOSE WITH APNEA REMAIN UNDIAGNOSED
- **< 38%** COMPLIANCE RATES.
- **HIGH ENTRY COST** FOR TREATMENT.
- **FEW ALTERNATIVE TREATMENTS**
- **ALL HIGHLY INVASIVE** AND WITH LOW ACCEPTANCE.

## NASAL STENTING AND VARIABLE STENTING PROGRAM

- During Inspiration, the Rhinomed technology stents the nostrils allowing an average 38% more air to enter the airways
- During Expiration the Rhinomed technology can:
  - Increase airway pressure and expand the upper airway
  - Increased FRC exerts traction on the airway during end expiration. Both mechanisms can assist in keeping the airway open.

### Stand alone therapy

- Variable stenting
- Increase air pressure during expiration
- Low invasive technology
- Targeting mild to moderate Sleep Apnea

### Companion therapy

- Stenting nose during use of CPAP masks
- Stenting nose during use of Mandibular splints



# CLINICAL PROGRAM

Rhinomed Platform technology

1

# SPORT & EXERCISE

Entry market and socialization strategy

2

# OTC SLEEP MARKET

Snoring and sleep quality

3

# SLEEP APNEA

Clinical applications

4

# WELLNESS

Targeting global decongestion, allergy markets

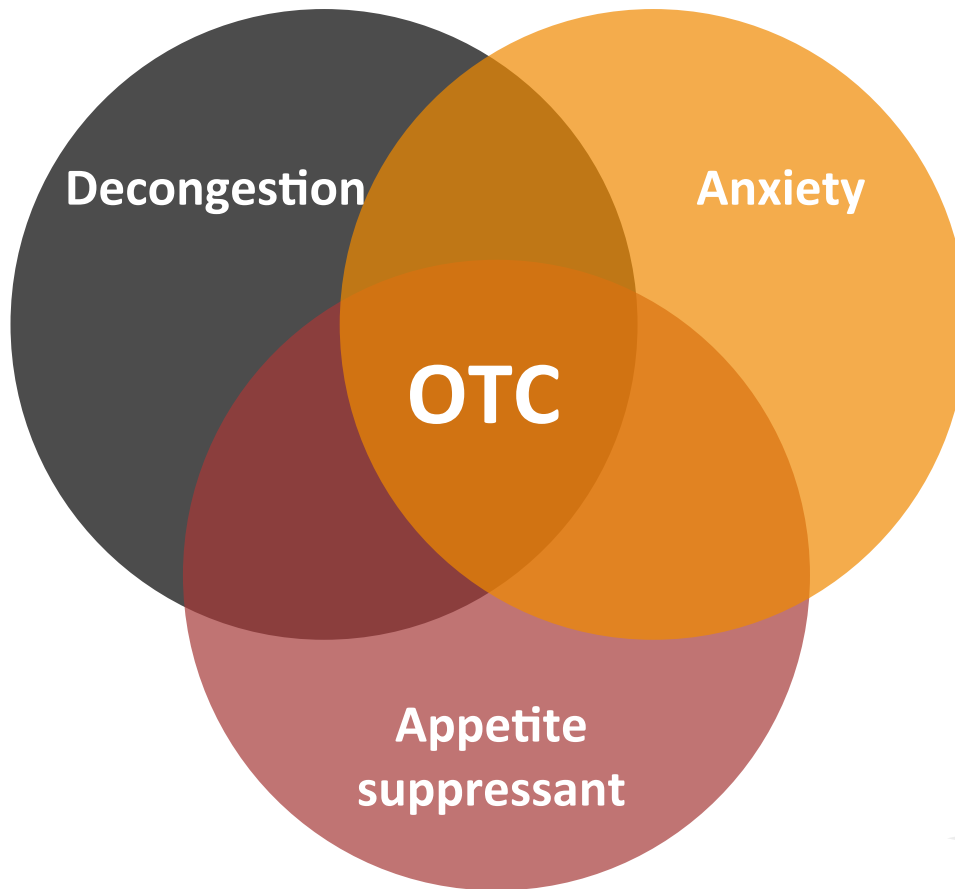
5

# DRUG DELIVERY

Acute migraine – sumatriptan – Phase 1 clinical trial

6

## INTRODUCING SCENT INTO THE PLATFORM



### DECONESTION

- ▶ Proprietary recipe of natural essential oils
- ▶ Decongestant
- ▶ Targeting use in sport and wellness

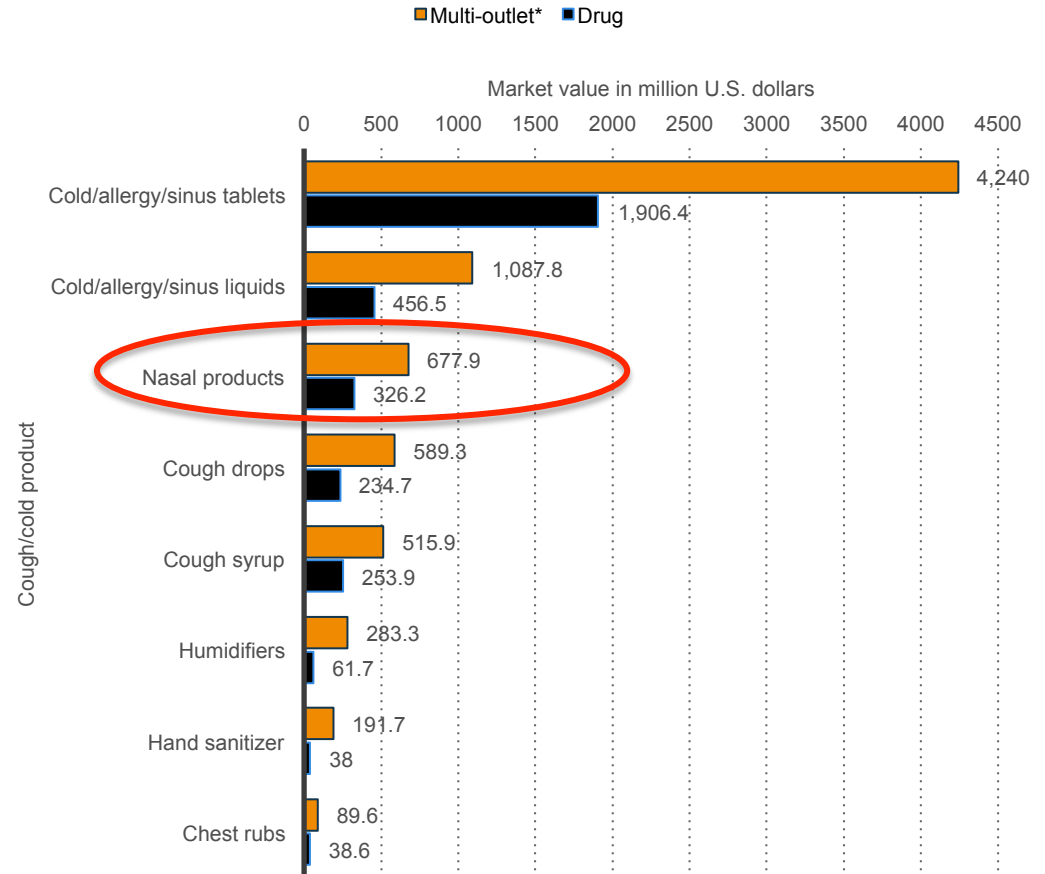
### ANXIETY

- ▶ Relaxation and sleep problems
- ▶ Between 2006-11 OTC Sleep aids grew by 31%
- ▶ Proprietary recipe of natural essential oils

### APPETITE MANAGEMENT

- ▶ Weight management market
- ▶ Direct to Consumer program
- ▶ Proprietary recipe of natural essential oils

# NOVEL IN-SITU NASAL CONGESTION SOLUTION



Source: Drug Store News; [JD 255222](#)

# CLINICAL PROGRAM

Rhinomed Platform technology

1

# SPORT & EXERCISE

Entry market and socialization strategy

2

# OTC SLEEP MARKET

Snoring and sleep quality

3

# SLEEP APNEA

Clinical applications

4

# WELLNESS

Targeting global decongestion, allergy markets

5

# DRUG DELIVERY

Acute migraine – sumatriptan – Phase 1 clinical trial

6

## **SIGNIFICANT OPPORTUNITY - ACUTE MIGRAINE**



- **37 MILLION** AMERICANS SUFFER FROM MIGRAINE
- **< 25% ARE SATISFIED** WITH THEIR EXISTING THERAPY
- **US\$1.6 BILLION** - WORLDWIDE SALES OF IMITREX
- **EFFICACY AND SAFETY** ESTABLISHED
- **7,026,000** SUMATRIPTAN PRESCRIPTIONS

## DRUG DELIVERY PROGRAM

- Investigate potential of drug delivery mechanism:
  - API (sumatriptan) delivered direct to nasal mucosa

### Sumatriptan Clinical Program

Phase 1- Bio-equivalence study

Comparator – Imitrex spray (GSK)

Comparing onset (PK levels)

N=20 - CMAX (Royal Adelaide Hospital)

### Potential competitive advantages

rapid onset

no loss of drug down throat (nausea)

self titration

in situ delivery

established acceptance and awareness

controlled admin and sustained release vs one-off dosing of nasal sprays

direct delivery into blood stream avoids first-pass liver drug removal of oral admin

nose-brain pathway allows direct delivery to circulatory system & cns

## **INVESTMENT HIGHLIGHTS**

- Existing pipeline with multiple revenue generating streams both direct and through partnerships
- Continue clinical development program in Sleep and Drug Delivery
- Sleep apnea and sleep quality program
- Drug Delivery – Sumatriptan (Acute Migraine)
- “Owning sleep” through strong consumer brand focus
- Near term value inflection points
  - Q3FY15 TURBINE Cash Sales target \$150k achieved
  - Q3 FY15 Cash Balance Approx. \$3m
  - Q4FY15 US distribution for Turbine and expansion into key retailers
  - Mute Distribution in Australia achieved – revenues to begin Q4FY15

**C O N T A C T** RHINOMED

**Michael Johnson, CEO**

[mjohnson@rhinomed.com.au](mailto:mjohnson@rhinomed.com.au)

+ 61 (0) 3 8416 0900

[www.rhinomed.global](http://www.rhinomed.global)