

 RHINOMED

ASX.RNO

MAKING EVERY BREATH COUNT

SHAREHOLDER UPDATE - FEBRUARY 2014



2014 Jayco Herald Sun "Turbine" Best Team Winners - Orica Green Edge

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.

A CLEAR AND COGENT **GROWTH STRATEGY**

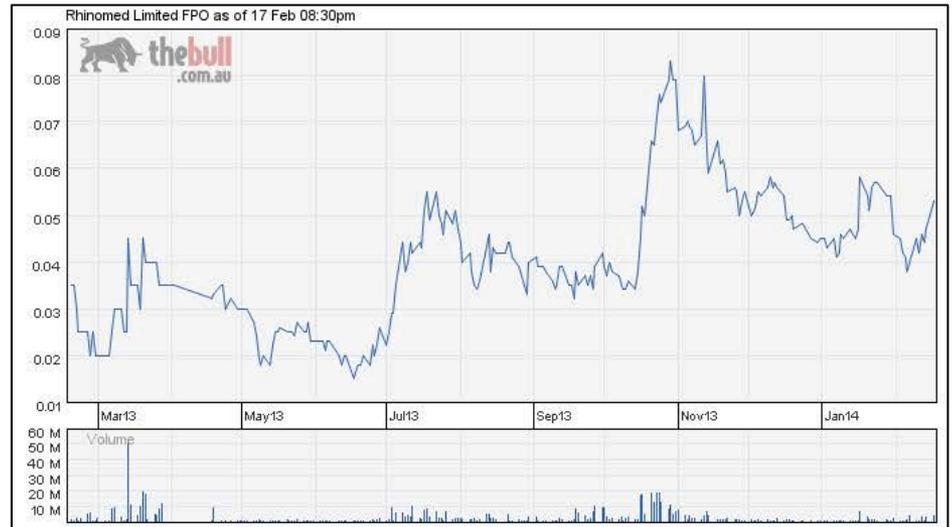
- ◉ *Own Breathing*
- ◉ Launch Turbine in Sport and drive awareness through online media
- ◉ Target early sales and endorsement
- ◉ Build Sleep program
- ◉ Scope Drug Delivery program
- ◉ Attract and build world class team
- ◉ *Strategy is on track and delivering milestones!*

BUILDING WORLD CLASS BOARD & MANAGEMENT TEAM

CHAIRMAN	<i>Martin Rogers</i>
NON-EXEC DIRECTOR	<i>Brent Scrimshaw</i>
NON-EXEC DIRECTOR	<i>Dr Eric Knight</i>
NON-EXEC DIRECTOR	<i>Lord Simon Reading</i>
CEO & EXECUTIVE DIRECTOR	<i>Michael Johnson</i>
CMO	<i>Jane Ballantyne</i>
CFO & Company Secretary	<i>Philip Hains</i>

MARKET DATA

SHARE PRICE	\$0.05
MARKET CAP	\$17 M
SHARES ON ISSUE	331 M
CASH ON HAND	\$700k approx
BURN RATE	\$130k/pm
TOP 20	33%



COMPELLING STRATEGY THAT IS **GAINING TRACTION**

SPORT

- Establish premium Brand, create early revenues & socialise mass market

WELLBEING

- Attack rapid growth markets and extend franchise

SLEEP

- Address significant unmet needs and dissatisfaction with existing solutions in a growth market

DRUG DELIVERY

- Improve efficacy and compliance issues with existing solutions in competitive markets

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SPORTS & EXERCISE



TURBINE

MAKE EVERY BREATH COUNT

THE TURBINE - DELIVERED

- ⊙ Released online in November '13
- ⊙ Consumer launch January '14
- ⊙ Early sales growth
- ⊙ Drive awareness through presence at Santos Tour Down Under and Jayco Herald Sun Tour
 - ⊙ *Introduce technology to elite athletes and gain endorsement*
- ⊙ Support launch with social media campaign
 - ⊙ *Drive awareness through Facebook, Twitter and social media*



TURBINE LAUNCH PROGRAM - ALL YOU NEED IS AIR



SEGMENT / CHANNEL	FOCUS:	PRODUCT SEEDING & PROGRAMS E-COMMERCE SITE LIVE	PUBLIC CAMPAIGN IN MARKET		SALES PUSH
SAMPLING & TRIAL PROGRAMS:	Programs commence		Start to receive content	Results & feedback	Ongoing program development
MEDIA & PUBLICITY:	Targeted Media briefings		Digital media coverage	Print media coverage	Broaden media target list
DIGITAL & SOCIAL MEDIA: **	E-commerce site live	Facebook & Twitter engagement	Twitter teaser campaign kicks off	Ongoing social media from product trials & content	
RETAIL ACTIVITY:	Email to Turbine database inviting to purchase their Turbine		ALL YOU NEED IS AIR campaign		Cycling/Triathlon Asia-Pacific trade fair: Taiwan
	✓	✓	✓	✓	

ELITE ATHLETES LOVE THE TURBINE

“Noticeable increase in airflow, enables me to run in very controlled fashion due to above, comfortable fit, easy to adjust pre run and even during run. Appreciate the chance to test this great product!”

ELITE RUNNER



glennoheat glenn o' Shea · Feb 5
Thanks to @theturbinecom for the new product! Gonna come in handy this week in the @HeraldSunTour
pic.twitter.com/KoXFKy6UXd
Details Reply Retweet Favorite

Joel Strachan @TKMSMAX
Following

vimeo.com/86814027 Here is the Full Video of big @SamWitmitz @BudgetForklifts 1,000 watts 20 sec effort @theturbinecom #earthshattering

Reply Favorite More

Vimeo

Sammy WitMITZZZ
from TKMSMAX

01:24 HD vimeo

Sammy WitMITZZZ
hitting 1,000 watt effort 20 seconds



The Turbine @theturbinecom · Jan 19
Exciting to see @mearnsd at the Village today. Not a bad signature to have on the #Turbine jersey! K8H/mearns
pic.twitter.com/2g9t6e0e6d
Reply Retweet Favorite



The Turbine @theturbinecom · Jan 23
Team #Turbine developing Russian language skill! 36% more air is universal. Thanks for visiting @katuhacying
pic.twitter.com/SZwVtU4G
Reply Retweet Favorite

Calvin Watson @calvin_watson · Jan 31
Very pleased to be riding @HeraldSunTour next week! Shall be an exciting 5 days of racing!
Expand
Reply Retweet Favorite More

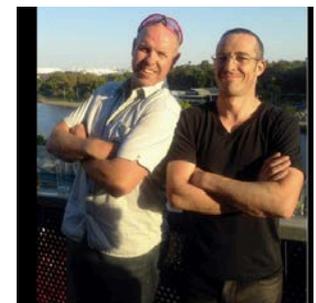
The Turbine @theturbinecom · Feb 3
@calvin_watson great news, look forward to watching you. Give us a shout if you need another Turbine.
Expand
Reply Retweet Favorite More

Calvin Watson @calvin_watson · Feb 3
@theturbinecom look forward to racing with my Turbine! Thanks guys!
Hide conversation
Reply Retweet Favorite More

4:08 PM - 3 Feb 2014 · Details



The Turbine @theturbinecom · Jan 23
Look who saving past the #Turbine site @tounbounr today. Make every breath count @CadeOfficial #330/mearns
pic.twitter.com/ZuzQR8vYb6
Reply Retweet Favorite



The Turbine @theturbinecom · Feb 5
Team Turbine celebrating the @HeraldSunTour prologue with @DMitchA and @Bndwiser Rob Crowe. #makeeverybreathcount
pic.twitter.com/DeoG6Kq6Km
Reply Retweet Favorite

SOCIAL MEDIA INTRODUCED THE TURBINE TO THE WORLD

- ⦿ Turbine messaging appeared **2.8 million times** in the news feeds of 2.6 million unique visitors
- ⦿ Turbine Video was viewed a total of **204,961 times** across Facebook, Youtube and other platforms



RHINOMED

ASX.RNO

38%
MORE AIR

You don't need fluoro. You need more air.

Turbine is a nasal dilator that increases your air intake by 38%. Which means fewer breaths per minute and a slower heart rate. Just stick it up your nose and get going.

WWW.TURBINE.COM.AU



TURBINE. ALL YOU NEED IS AIR

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NEED IS
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BREATHEASSIST™ TECHNOLOGY



Dilation can be adjusted on each side of the nose for a comfortable fit

Sits inside the nose and is visually discreet



Patents granted & pending

Sits on top of the nose and is not visually discreet

No independent dilation of the nostrils



Patents expired in July 2013

No skin pulling adhesive. Can be re-used

One chance to adhere correctly. Single use only

Applications:

- Sport
- Snoring (nasal congestion)
- Sleep Apnea
- Anxiety, appetite suppression
- Drug delivery (allergy, migraine)

Applications:

- Sport
- Snoring (nasal congestion)

Revenues:

from November 2013

Revenues:

2006 - US\$100m
 2012- est \$145m
 Acquired by GSK (2007) - US \$566m

GLOBAL GROWTH OPPORTUNITY - VALIDATED



Validated demand in US based market research:

- 83% of participants likely or **very likely to trial Turbine**
- 78% believe Turbine **will make breathing easier** during strenuous activity
- **76% focus on breathing through the nose** during their sporting activities
- Two thirds will source online

¹ National Sporting Goods Association 2011

² American Outdoor Foundation 2012

³ AustRoads & the Australian Bicycle Council 2011

PIPELINE EXTENSIONS:

SLEEP

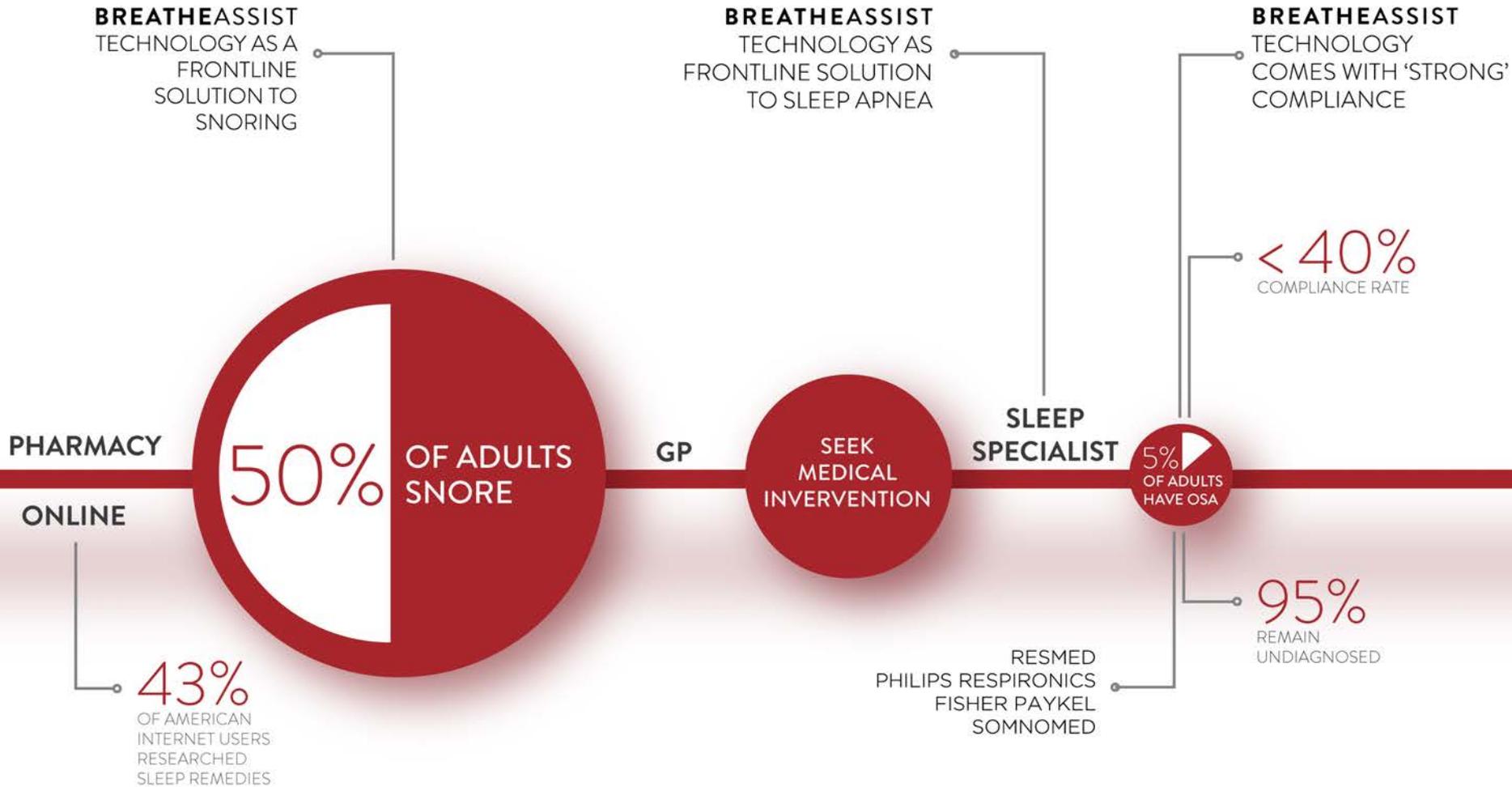
WELLBEING

DRUG DELIVERY

SLEEP/SNORING & SLEEP APNEA

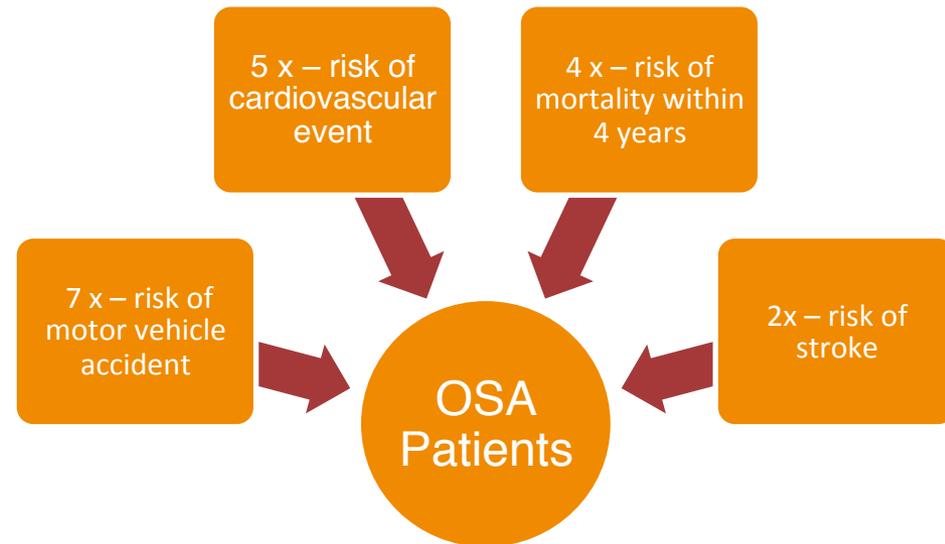
WORLDWIDE SLEEP AIDS MARKETS TO REACH \$33.2 BILLION IN 2014

SOURCE: SLEEP AIDS - TECHNOLOGIES AND GLOBAL MARKETS 2010



SLEEP – A US\$3 BILLION PROBLEM

- ⊙ 18 – 20 million American adults suffer from moderate-to-severe OSA
- ⊙ Growth rates driven by obesity and diabetes epidemic
- ⊙ ONLY 15% have been diagnosed
- ⊙ Untreated OSA is major problem for the health system & economy
- ⊙ OSA contributes to numerous chronic, costly health disorders
- ⊙ Diagnosis hindered by:
 - ⊙ *Limited risk factor screening*
 - ⊙ *Patient avoidance of sleep labs*
 - ⊙ *Patient compliance with home tests*
 - ⊙ *Payer concerns*



WELLBEING

(APPETITE & ANXIETY)

OLFACTORY PATHWAY – A ROUTE TO APPETITE MANAGEMENT

\$66.5 billion
2013
US WEIGHT LOSS MARKET

108 million American dieters make
4-5 attempts to lose
weight each year

2% is the average loss of body weight
simply by inhaling formulated scents
without any changes diet or lifestyle

CURRENTLY DEVELOPING PRODUCTION PROCESS
FOR DELIVERY OF FRAGRANCES

DRUG DELIVERY

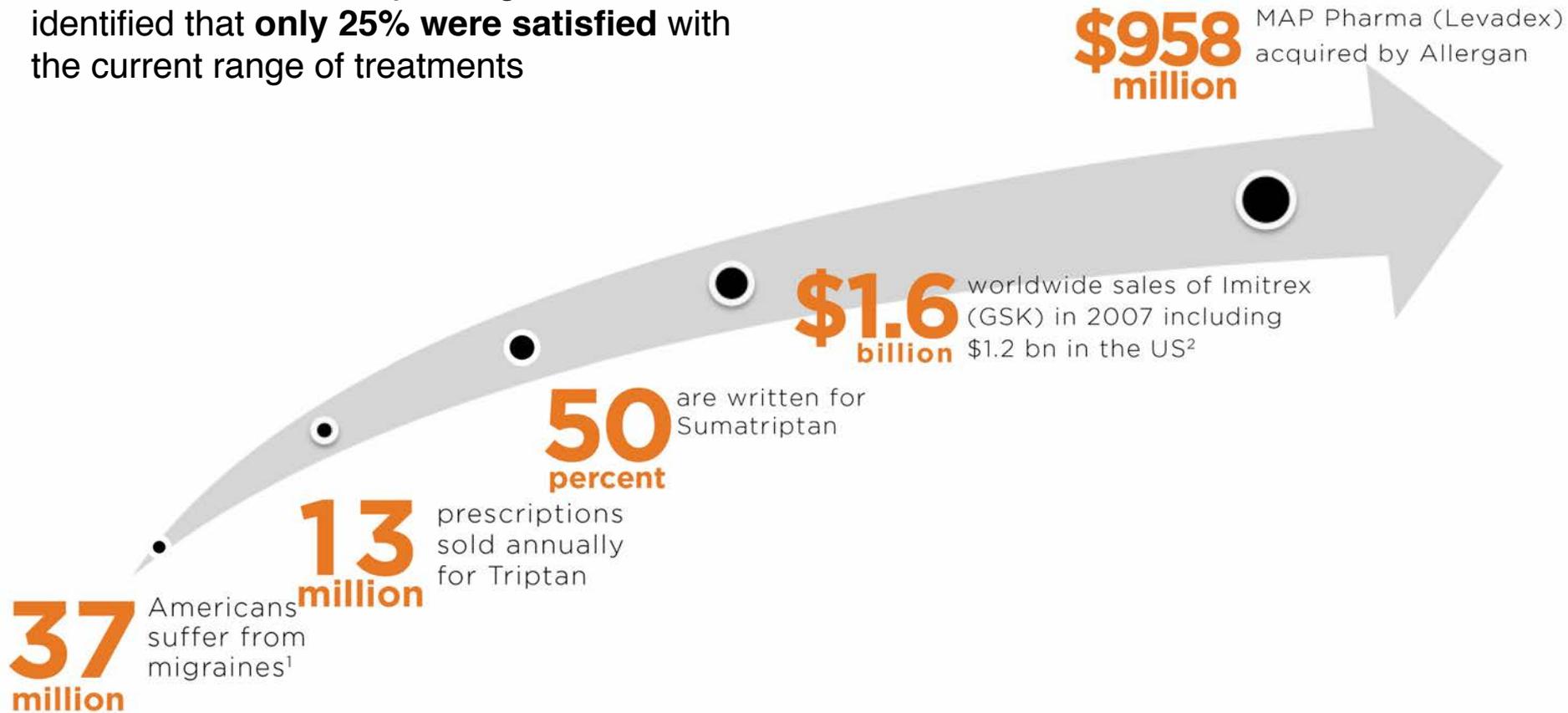
(MIGRAINE & ALLERGIES)

STRUCTURED APPROACH TO DEVELOP DRUG DELIVERY SOLUTIONS



MIGRAINE RELIEF – A HIGH VALUE OPPORTUNITY

US based online survey of Migraine sufferers identified that **only 25% were satisfied** with the current range of treatments



¹ American Centre for Disease Control & Prevention

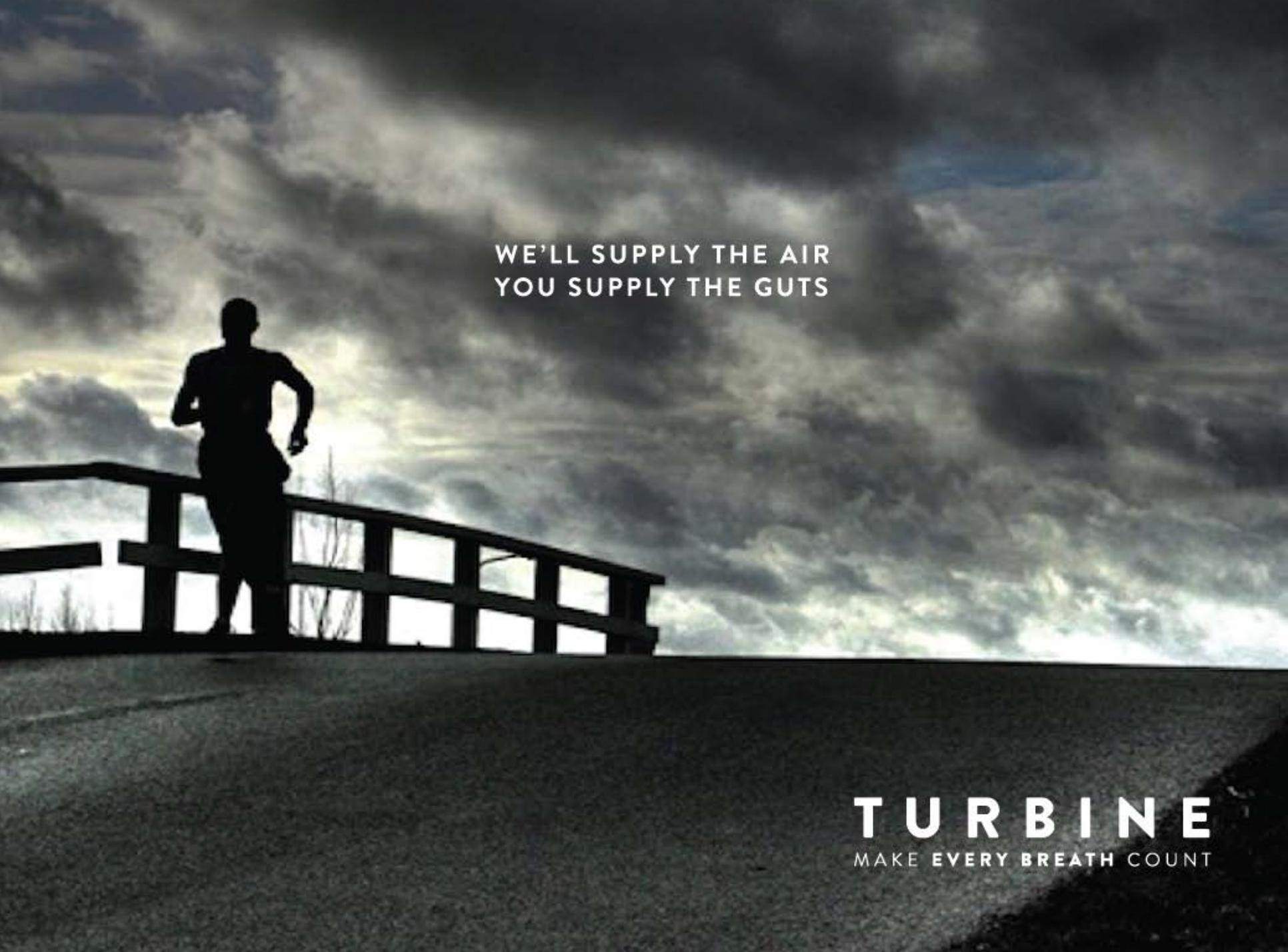
² IMS

RHINOMED **DELIVERS**

- ⊙ Developed & launched the Turbine into global sport market
- ⊙ Identified high value strategic opportunities & pursuing them
- ⊙ Building world class board and team
- ⊙ Strong risk mitigation focus and tight fiscal policy
- ⊙ First Year of turnaround delivered 200% increase in share price

LOOKING AHEAD - 2014

- ⊙ Continue pursuit of the goal of “**owning breathing**”
- ⊙ Clear focus on proving value of the technology portfolio:
 - Building revenue and customer base
 - Strategic Value - Demonstrate extension into high value markets
- ⊙ Continue to build capability and capacity in the team
- ⊙ Focus on smart ‘wearable technologies’
- ⊙ **Buy a Turbine from www.theturbine.com**

A silhouette of a person running on a bridge with a wooden railing, set against a dramatic, cloudy sky. The runner is positioned on the left side of the frame, moving towards the right. The sky is filled with dark, heavy clouds, with a bright light source breaking through near the horizon, creating a silhouette effect for the runner and the railing.

WE'LL SUPPLY THE AIR
YOU SUPPLY THE GUTS

TURBINE
MAKE EVERY BREATH COUNT

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