

# R H I N O M E D

## RHINOMED REPORTS STRONG PROGRESS ON MULTIPLE FRONTS

- **Columbia Care definitive agreement has progressed well and is expected to be finalised in September.**
- **Sales data shows Rhinomed's sleep snoring technology 'Mute' is the fastest growing nasal brand in USA.**
- **Retail expansion across the US, Canada and UK continues.**

### **September 19th 2018, Melbourne, Australia.**

Australian nasal and respiratory technology company Rhinomed (ASX:RNO) is pleased to provide investors with an update following significant progress in both the North America and UK markets.

### **Columbia Care licensing deal - Nasally Delivered Cannabis to the US market**

In June 2018, Rhinomed advised investors that it had signed a non binding term sheet with the intention of completing a licensing agreement with Columbia Care - the US's largest medical cannabis operator. The companies stated in the release of June 20 that they hoped to complete this agreement within 90 days. The companies can advise that while negotiations are substantially complete, the signing of the agreement is likely to be before the end of September.

### **Mute technology sales growth in US market**

Rhinomed is pleased to share with investors Over The Counter (OTC) sales data from the USA as reported in the Drug Store News digital edition on August 25th\*. The data for the 12 Months to June 17 2018 reported that the Nasal Strip category turned over US\$115m during that period. These sales were generated from over 80,000 retail outlets across the USA.

It was noted that despite only entering the category through its core ranging in 4300 stores Walgreens stores in October of 2017, Rhinomed's Mute is now Number 5 in the category. Pleasingly, Mute was the fastest growing product in the category - having grown at 299% during the period.

The company notes that 'Mute' achieved this growth despite the other top five brands having greater store distribution, appearing across multiple retailer brands and significantly outperforming Mute from an advertising and marketing perspective. This result provides further confidence that the company is well placed to grow its franchise in the sleep and snoring market and also bring further innovation to market in due course.

### **Further retail expansion**

The company is pleased to also be able to inform investors that it has expanded its global distribution with a number of new relationships in both the US, Canada and the UK. The company has entered into a number of distribution agreements with and has begun receiving initial orders for stock from a number of pharmacy and grocery chains in both the USA and Canada and a major airport based convenience store retailer in the UK.

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These purchase orders confirm that Mute will be stocked on the shelves of an additional 360 pharmacies and grocery stores across the USA and Canada. These regional chains include London Drugs in Vancouver, Canada; Fred Meyer in Oregon, USA and the national USA based chain Bed, Bath and Beyond. The company has also reached agreement with the WH Smith stores in the UK to stock Mute at multiple airport locations.

There are some disclosure limitations under the order arrangements that Rhinomed can currently provide, as a guide it can provide the following information:

- Revenues from this new retail channel are not expected to impact the business until FY19Q2 at the earliest,
- The agreements have no fixed term and can be terminated by either party,
- Pricing details remain confidential.

The company notes that while the supplier agreements and receipt of initial orders create potential new market opportunities for Rhinomed and increases the retail reach of the product in the USA, Canada and the UK, it is not an assurance or confirmation of retail sales. It is too early to accurately forecast the impact of revenues from the Agreement on Rhinomed financial results.

The company is on track to be in over 11,000 stores globally toward the end of October.

## Media Enquiries

Michael Johnson, CEO & Director  
+61 (03) 8416 0900  
[mjohnson@rhinomed.global](mailto:mjohnson@rhinomed.global)

Follow us on **Twitter** @rhinomedceo and @theturbinecom

## About Rhinomed Limited (ASX: RNO)

Rhinomed Limited is a Melbourne based technology firm with a focus on nasal, respiratory and breathing management technologies. Rhinomed is seeking to radically improve the way you breathe, sleep, maintain your health and take medication. The company is rapidly commercializing its platform and has brought two products to market that are now sold globally. For more information go to [www.rhinomed.global](http://www.rhinomed.global)

\* Source: Aug 25th 2018 DRUGSTORENEWS.COM Source: IRI For the 52 weeks ended June 17 across total US multi outlet (supermarkets, drug stores, mass market retailers, military commissaries and select club and dollar retail chains)

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