

27 February 2024

Dear Shareholder,

Ineligible Shareholders - Rhythm Biosciences Limited Rights Issue Offer

On 9 February 2024 **Rhythm Biosciences Limited ACN 619 459 335 (Company)** announced that it is undertaking a non-renounceable pro-rata entitlement offer of **3 New Shares for every 10 Shares** held at the Record Date of 7.00pm on 22 February 2024 (**Record Date**), at an Issue Price of \$0.10 (10 cents) per New Share (**Entitlement**), plus 1 New Option to purchase 1 Share for every 2 New Shares issued under the entitlement offer (collectively, **Rights Issue Offer**) to raise up to approximately \$6.6 million (before costs), the maximum being on the basis that no more than approximately 66,342,777 New Shares will be issued pursuant to the Rights Issue Offer (excluding any Shares issued upon the exercise of any New Options).

The Rights Issue Offer is partially underwritten by the Company's Chairman, Otto Buttula, to subscribe for \$1.085 million (including his pro-rata entitlement as a shareholder) under the Shortfall Offer for no additional consideration (i.e., no commission). Your other Directors also intend to take up all their Entitlements under the Rights Issue Offer.

Shareholders who subscribe for their full Entitlement will also be able to subscribe for Additional Shares at the same price (plus 1 New Option for every 2 Additional Shares issued to them) (**Top-Up Offer**).

The Directors have reserved the right for up to 3 months after the close of the Entitlement Offers to place any shortfall under the Rights Issue Offers (if any) (Shortfall) at a price no less than the Issue Price (**Shortfall Offer**).

The Rights Issue Offer, Top-Up Offer and Shortfall Offers are being made pursuant to a prospectus dated 19 February 2024 issued in accordance Section 713 of the Corporations Act (Prospectus). A copy of the above announcement, together with further details of the Offers, are available on the Company's website www.rhythmbio.com and also on the ASX Announcement Platform. A copy of the Prospectus has been lodged with the Australian Securities and Investments Commission (ASIC) and the ASX and is available for viewing on the ASIC website, the ASX website and the Company's website.

Restrictions apply upon eligibility to participate in the Rights Issue Offer. As permitted by law, the Company has decided, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Corporations Act, that it is unreasonable to make the Rights Issue Offer to any Shareholder with a registered address outside Australia or New Zealand (retail and wholesale shareholders) as at the Record Date (namely 7.00pm on 22 February 2024), having regard to:

- (a) the relatively small number of Shareholders with addresses in such other countries as a proportion of total Shareholders in the Company;
- (b) the relatively small number and value of the Shares those Shareholders would be offered under the Rights Issue Offer; and
- (c) the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

Rhythm Biosciences Ltd
ACN 619 459 335
ASX: RHY

www.rhythmbio.com

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Directors

Otto Buttula
Sue MacLeman
Trevor Lockett
Louis Panaccio

Executive Chairman
Independent Deputy Chair
Non-Executive Director
Non-Executive Director

Accordingly, the Rights Issue Offer (including the Top-Up Offer) will not be made to shareholders resident in the jurisdiction in which your shareholding is registered.

This letter is to inform you that according to our records, under the terms of the Rights Issue Offer you are an ineligible shareholder and therefore not eligible to subscribe for New Shares (and New Options) and no Entitlements will be issued to you. Accordingly, the Company is not extending the Rights Issue Offer and Top-Up Offer to you and this letter is not an offer to issue New Shares or Entitlements to you, nor an invitation for you to apply for new Shares (and New Options).

You are not required to do anything in response to this letter.

If you have any questions, please call the Company's share registry, Automic Registry Services, on 1300 288 664 (within Australia) or +61 2 9698 5414 (from outside Australia) at any time between 9:00am to 5:00pm Monday to Friday.

Alternatively, you should contact your stockbroker, accountant, taxation advisor, financial advisor or other professional advisor.

Yours faithfully,



James Barrie
Company Secretary