

10 August 2021

Dear Shareholder

NOTICE TO INELIGIBLE SHAREHOLDERS OF NON-RENOUNCEABLE ENTITLEMENT OFFER

We write to you as the registered holder of Rhythm Biosciences Limited (ASX: RHY) (**RHY** or the **Company**) shares as at today's date, RHY is undertaking a non-renounceable pro-rata entitlement offer to eligible shareholders of ordinary fully paid shares in the Company at an issue price of \$0.85 per share on the basis of 1 new share for every 40 shares held at the record date on 6 August 2021 (**Record Date**) plus 1 Class A Option and 1 Class B Option for every 2 New Shares subscribed under the Offer (**Entitlement Offer**).

The Offers will raise up to approximately \$4.3 million (before costs).

Terms otherwise not defined have the same meaning as in the Prospectus dated 10 August 2021.

The Entitlement Offer is not underwritten however the Company has accepted an aggregate of up to \$2.75 million in shortfall commitments.

Purpose of the Entitlement Offer

Subject to the satisfactory completion of the Entitlement Offer, funds will be applied to furthering and completing research and development of the current ColoSTAT® test, USA market entry commencement (CLIA lab developed test & FDA route), commence platform technology research and development program for other cancer targets, completion of the current clinical trial (Study 7) recruitment and preparation for regulatory submissions in Europe and Australia (CE Mark and TGA, the scale up of manufacturing capability, including initiating program to transfer core technology to more automated machines / platform, marketing / business development and working capital purposes.

The Entitlement Offer is available to all RHY shareholders (Shareholders) registered on the Record Date whose registered address is in Australia and New Zealand (**Eligible Shareholders**). The Entitlement Offer is not being extended to any Shareholders with addresses outside these jurisdictions.

Ineligible Shareholders

A Shareholder who has a registered address outside Australia and New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Entitlement Offer.

You are not eligible to participate in the Entitlement Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

For all enquiries concerning the Entitlement Offer, please contact the Company Secretary by telephone on +61 3 9614 0600.

Yours sincerely



Adrien Wing
Company Secretary
Rhythm Biosciences Limited