



A Medical Diagnostics Technology Company

The creation of a simple, low cost blood test for the early detection of colorectal cancer for the global market

Corporate presentation Q1 2019

(ASX: RHY)

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Corporate Overview

Rhythm Biosciences – A medical diagnostics technology company

Rhythm Biosciences is developing and commercialising Australian medical diagnostics technology for sale to national and international markets.

For Rhythm Biosciences, ColoSTAT® is the first proposed product-in-development, intended as a test for the accurate and early detection of colorectal cancer.

Whether used as a ‘first-step’ screening test or in the triage of persons with a positive FIT to colonoscopy, ColoSTAT® could play an important role in reducing the economic and emotional burden of colorectal cancer.

ColoSTAT® is envisaged as a simple, low cost blood test for the early detection of bowel cancer for the global mass market for the world’s third most common cancer.

Financial Information

ASX Ticker	RHY
Share Price (31-Jan-2019)	\$0.135
12-Month Range	\$0.13 - 0.34
Shares on Issue	~100.7M
Market Capitalisation	~\$13.5M
Cash on hand (31-Dec-18)	~\$6.5m

Major Shareholders

Merchant Opportunities Fund	8.10%
CSIRO	2.50%
Loumea Investments	9.90%
Ferndale Securities	6.50%
Total top 20	56.11%

Board and Management team

Experienced board & management team with proven commercial, operational and industry experience



SHANE TANNER

Chairman

- Chairman Paragon Care Ltd
- Chairman Zenitas Healthcare Ltd
- Chairman Funtastic Ltd
- Former CEO Symbion Health



GLENN GILBERT

Chief Executive Officer

- Former Rhythm COO
- Global Sales, Marketing and BD
- Strong international business experience
- Legal, IP, operational management



TREVOR LOCKETT

Technical Director

- Former Theme Leader Colorectal Cancer and Gut Health CSIRO
- Leader – Personalised Health Group CSIRO
- Inventor on seven commercially-licensed patent families



LOU PANACCIO

Non-Executive Director

- Non-executive Director Sonic Healthcare
- Non-executive Director Genera Biosystems
- Non-executive Director Avita Medical
- Non-executive Director Unison Housing
- Former CEO Melb Pathology & Monash IVF



DAVID WHITE

Non-Executive Director

- US BD&C, Blue Chip Limited
- US Business Development, Planet Innovation
- Molecular Sales, GenMark Dx
- Group Marketing Manager, Advanced Staining, Leica Biosystems

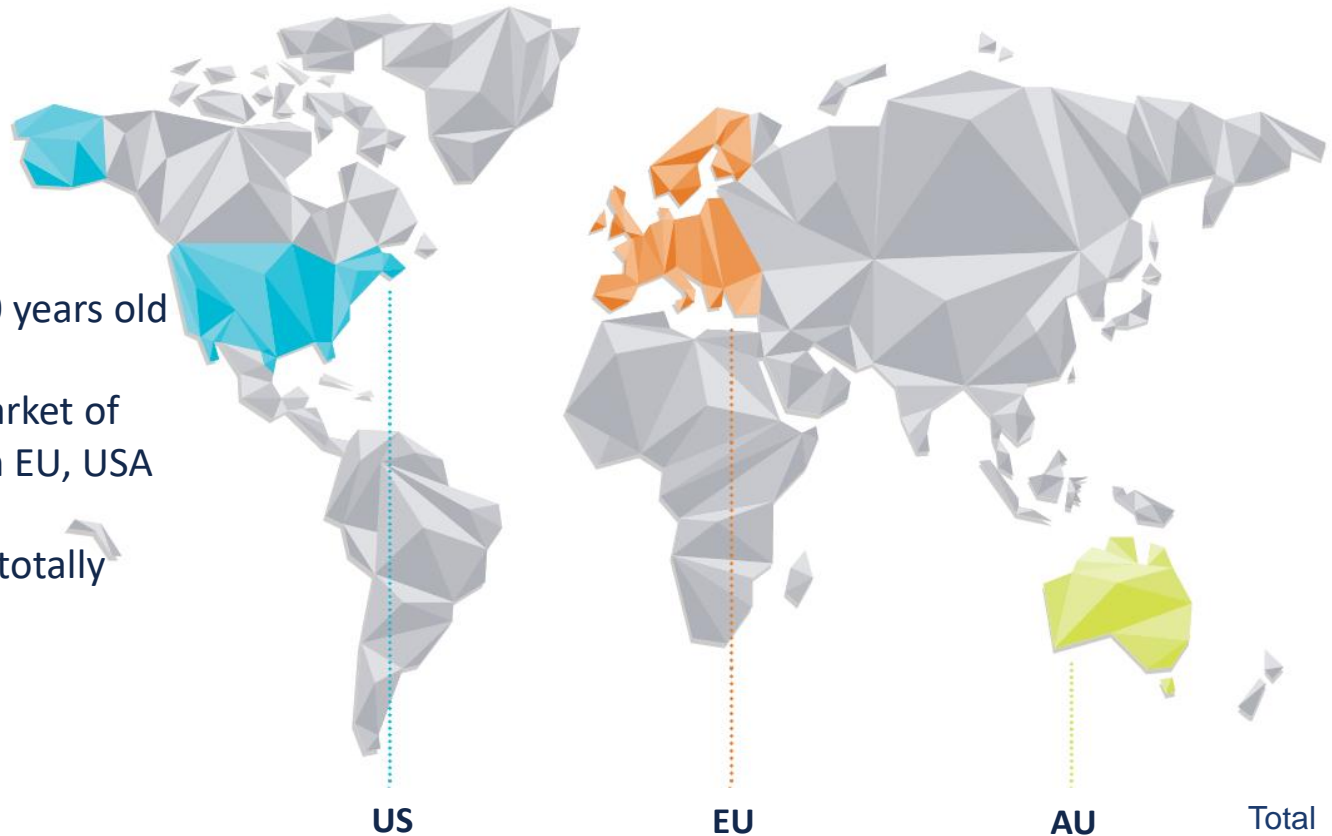
Introduction: Colorectal Cancer

- Colorectal cancer is the second most frequent cause of cancer-related deaths in the industrialized world (over 850,000 deaths annually).
- It is curable in about 90% of cases if detected early, this drops to around 10% if detected late stage, once the cancer has spread.
- Recognising the importance of early detection, governments around the world are administering or rolling out national population based screening programs typically targeting people in the >50 year old segments by inviting them to participate in a screen program. A government funded home testing kit is sent to those that choose to participate.
- The standard screening test is the Faecal Immunochemical Test (FIT).
- **Despite the boost in survival rates, and complimentary FIT testing offered, participation rates are sub optimal and well below targeted and expected rates.**

A global problem

Elevated risk people >50 years old remain under-screened:

- Total addressable market of 250 million people in EU, USA & AU
- 130+ million remain totally unscreened



Population between 50-74 years old	91.2M	153.4M	6.4M	251.0M
Estimated screening participation rate	62.6%	38.2%	46.9%	52.7%
Estimated unscreened elevated-risk population	34.1M	94.8M	3.4M	132.3M

The problem is growing

The global burden is expected to increase due to a growing and aging population, and lifestyle habits [1]. It is estimated that **by 2030 the global burden of CRC will increase by 60% to more than 2.2 million new cases** and around 1.1 million deaths [2].



**250 million
person
screening
market**



**Up to 60% are
not tested**



**1.4 million
new cases
each year**



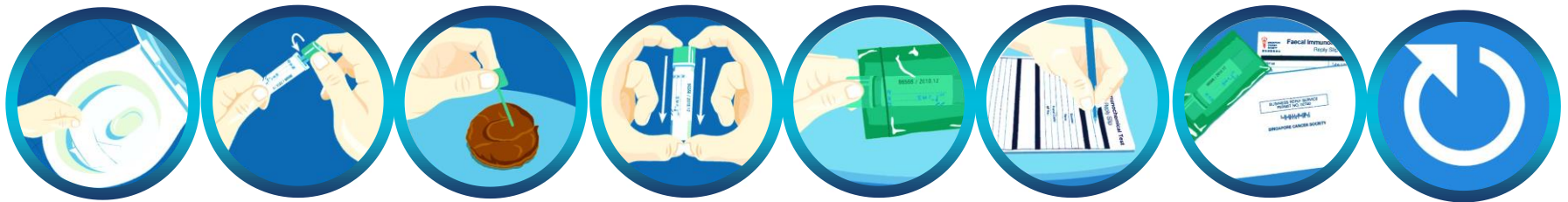
**850,000+
deaths
annually**

1. Favoriti P, Carbone G, Greco M, Pirozzi F, Pirozzi RE, Corcione F. Worldwide burden of colorectal cancer: a review. Updates Surg. 2016;68:7–11.

2. Arnold M, Sierra MS, Laversanne M, Soerjomataram I, Jemal A, Bray F. Global patterns and trends in colorectal cancer incidence and mortality. Gut. 2017;66:683–691. doi:10.1136/gutjnl-2015-310912.

Why is the participation rate so low?

Education, Awareness and a lack of early warning cancer **Symptoms** contribute to the challenge in achieving targeted participation rates. Further to this, some studies are also highlighting that as the current screening process is a high involvement faecal based test, **the test itself** may deter people from participating



Step 1:
Collect your stool on clean toilet paper. The stool must not come into contact with water or urine.

Step 2:
Twist and pull the tab to remove the sampling probe from the FIT kit.

Step 3:
Poke the probe into 6 different areas of the stool sample.

Step 4:
Return the sampling probe to the FIT kit and secure the tab by twisting it to close it. Shake the kit several times.

Step 5:
Wrap the FIT kit with the absorbent pad before placing into the ziplock bag provided. Squeeze the excess air out and seal securely.

Step 6:
Ensure that all your particulars are correctly filled in and the stool collection date is clearly written on the reply slip provided.

Step 7:
Mail the FIT kit together with the reply slip back to the testing facility using the business reply envelope provided within 2 days of collecting your stool sample. .

Repeat steps 1-7 to collect a second stool sample using the second kit.

Notes:

- Once both FIT kits have been mailed back to the testing facility, your stool samples will be tested and you will be notified of your test results by post within 4-8 weeks.
- Test can only be performed below 35 degrees Celsius
- Both tests must be performed on two different days
- FIT test can only detect blood from the lower intestine
- Identifies blood in the sample (not cancer), a follow up colonoscopy is required for any positive result

Other limitations of current FIT based testing



ACCURACY

The FIT test only detects blood in the sample, it is not a definitive test for cancer. Temperature, contamination, timing, cancer stage (early on the growth may not bleed) can affect the test result.



COST

High cost to manufacture, administer, market and process the test. Aside from the test itself, the follow up diagnostic (colonoscopy) carries a significant cost and with less than 4% of colonoscopies ending in a confirmed or suspected cancer result *

* Source: Australian Institute of Health and Welfare Cancer Series Number 114
<https://www.aihw.gov.au/getmedia/892d43f7-ab5d-48fe-9969-129f138687f3/aihw-can-117.pdf.aspx?inline=true>

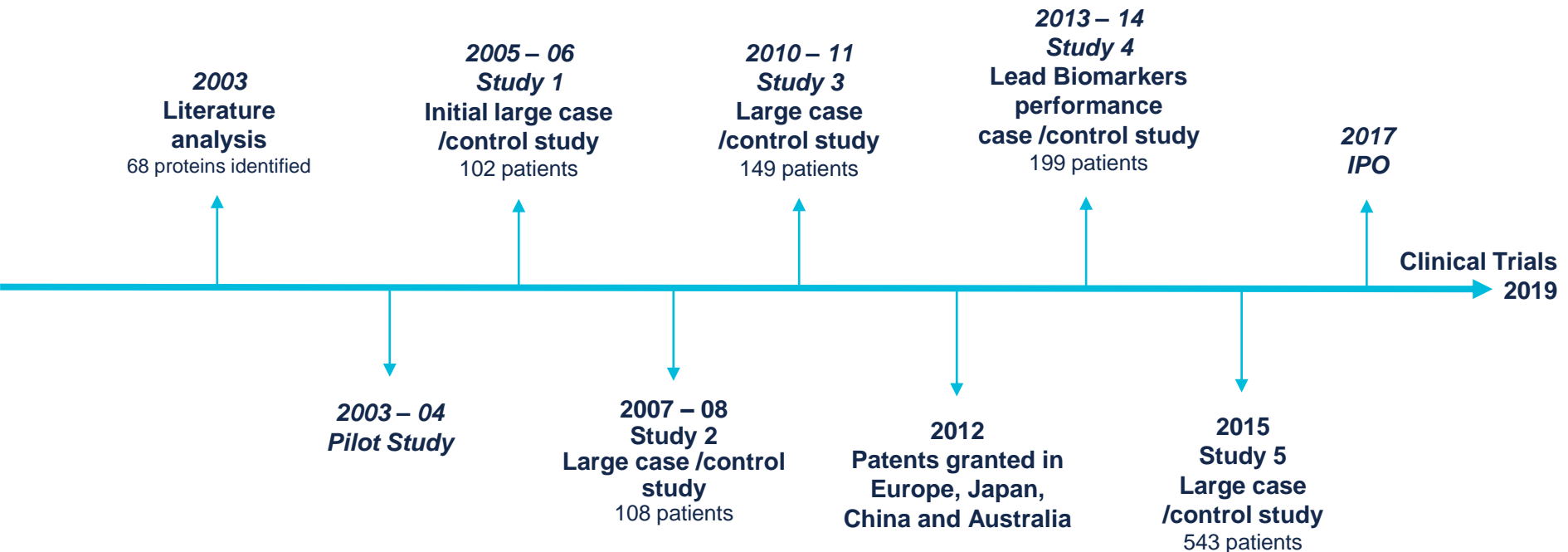
Introducing ColoSTAT[®] by Rhythm Biosciences

ColoSTAT[®] A simple, low cost blood test for the early detection of colorectal cancer for the global market



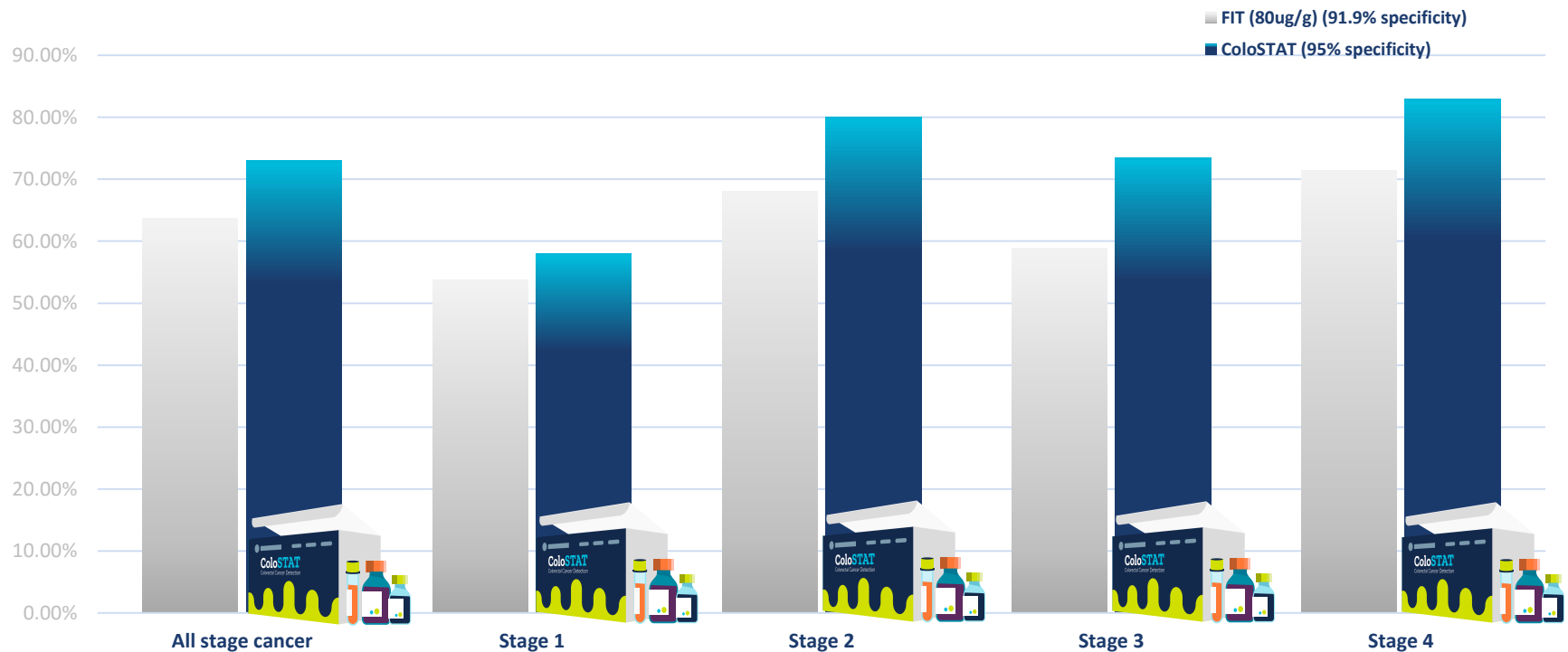
In a recent colorectal cancer screening adherence study,
83% of unscreened participants preferred a blood test over a stool test

Developed by Australia's leading scientific research agency, the CSIRO¹, over a 15 year period



1. CSIRO. The Commonwealth Scientific and Industrial Research Organisation (CSIRO) is an independent Australian federal government agency responsible for scientific research. Its chief role is to improve the economic and social performance of industry for the benefit of the community.
2. Rhythm Bioscience's fully owned subsidiary, Vision Tech, holds a global, exclusive licence to exploit the ColoSTAT technology.

Accuracy of ColoSTAT[®] at Specificity of 95%



Fung et al. Blood-based protein biomarker panel for the detection of colorectal cancer. PLoS One (2015) 10 3.

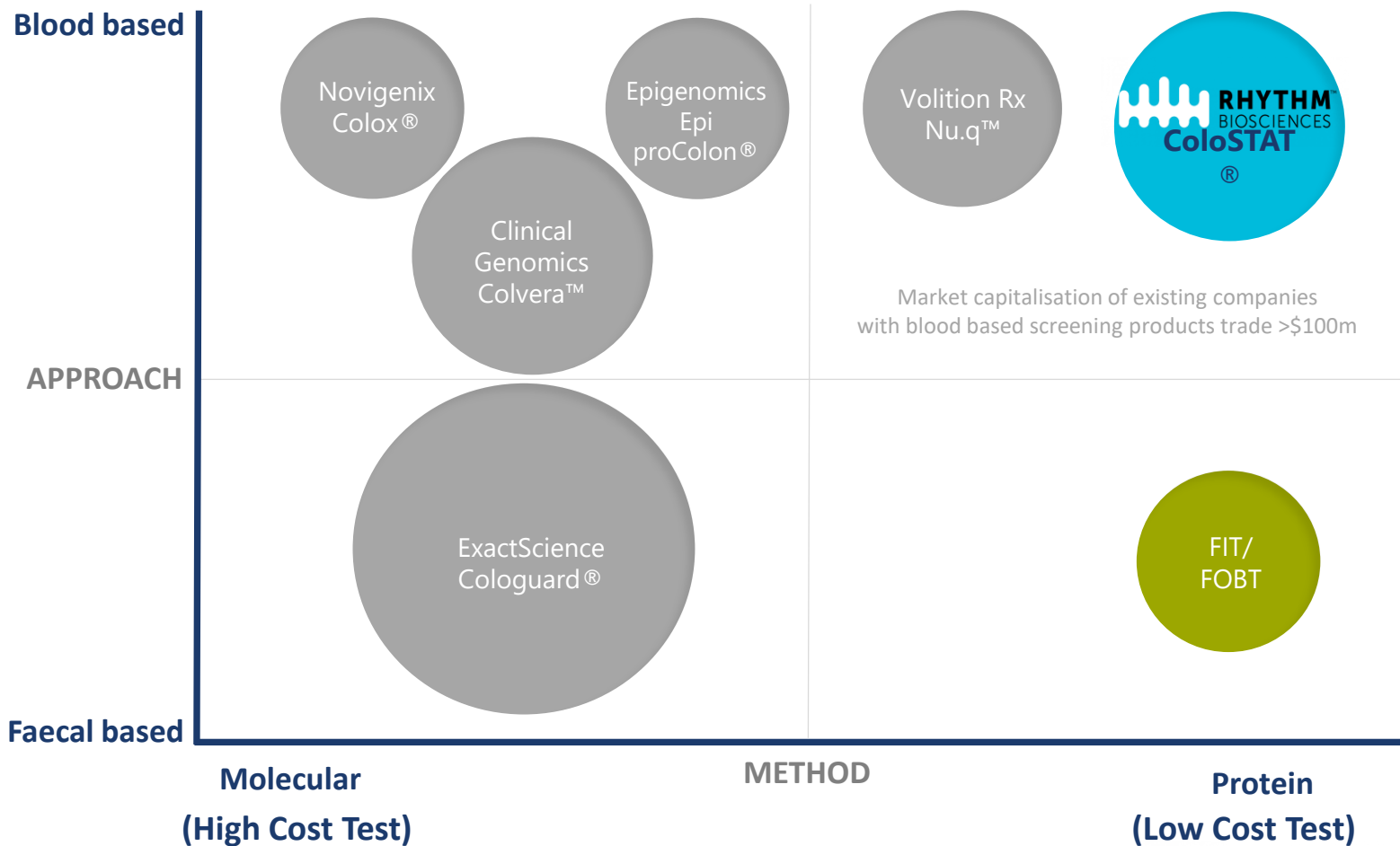
Morikawa et al., Gastroenterology (2005); 129: 422-428

Specificity of 95% is the gold standard: it is an inverse measure of false positive rate, therefore a tests specificity is the ability of the test to correctly identify those without the disease (true negative rate). If you lower specificity, you get a higher sensitivity result.

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Competitive landscape



Milestones

Milestones Achieved

Successful
IPO listing in
Dec 2017



Strong
Management
& Board
appointed



Global
patent
position



Reagent
developed and
completed



Operating
budget on
track



CSIRO
partnership



2019.20 Roadmap

IVD Kit
Development



Study 7
Clinical Trial
First Patient
Trial



ISO 13485
quality
certification



Study
6 & 7
complete



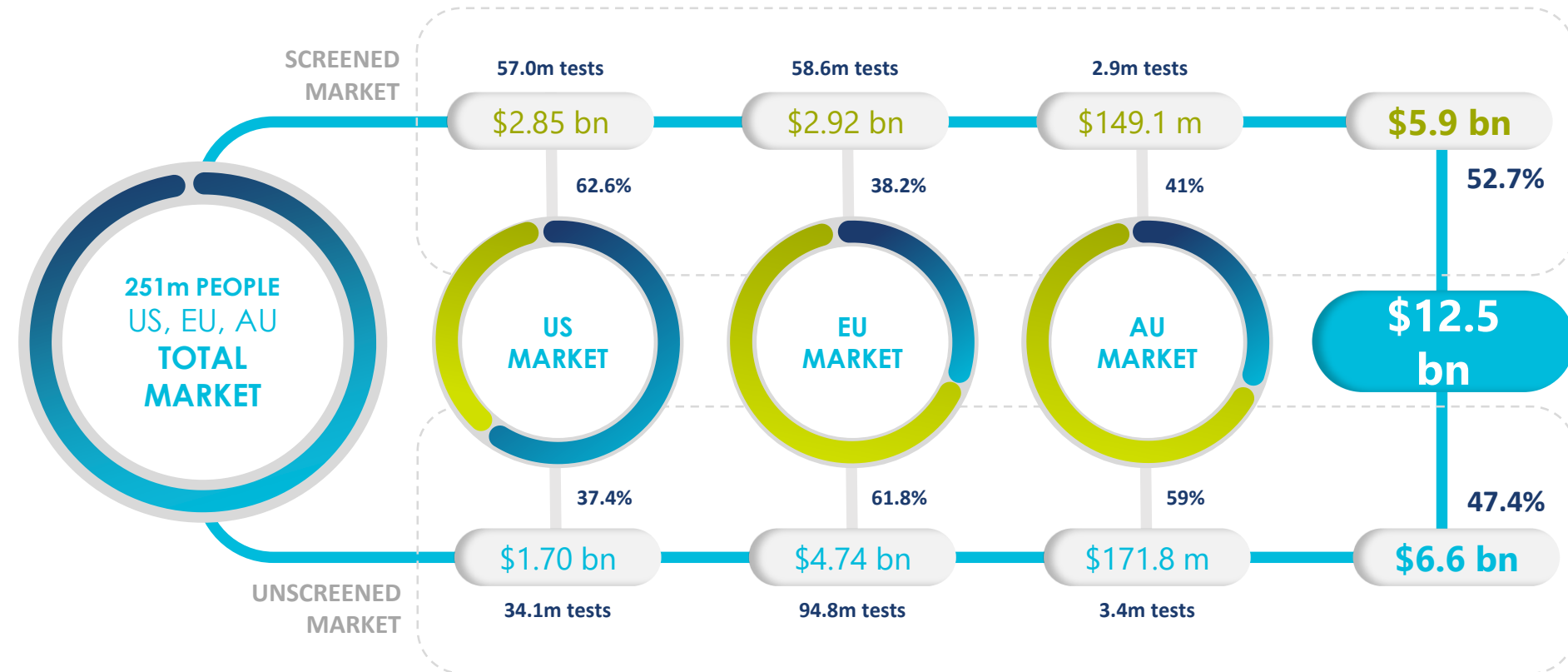
CE & TGA
Regulatory
submission



Commercial
Partnerships



Market size – Europe, USA, and Australia

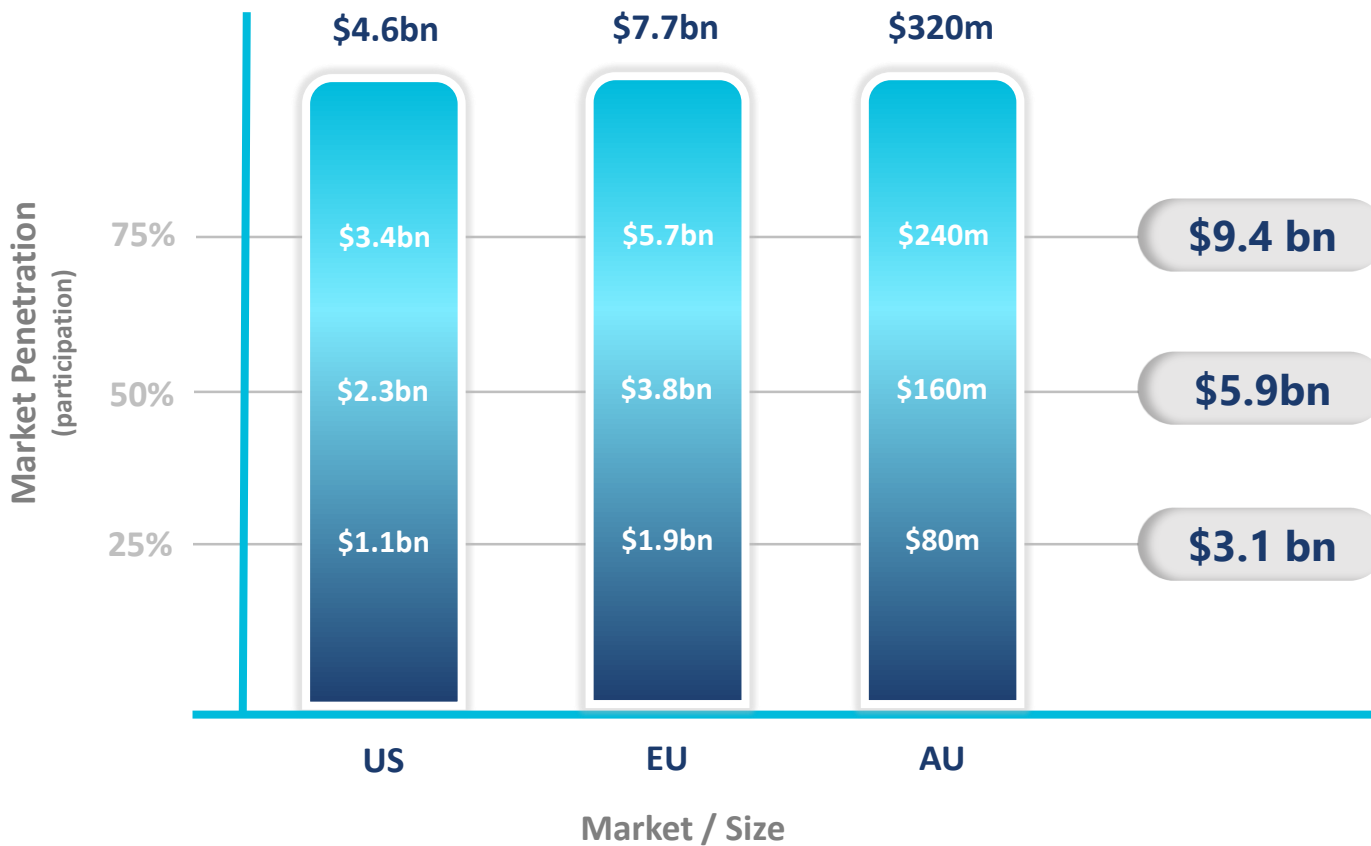


Assumptions: \$50 cost per test

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Market Sizing vs Opportunity



Summary

Rhythm Biosciences is well positioned to meet the global need for a simple low cost colorectal cancer screening test

MARKET DRIVERS

- 2nd biggest cancer killer
- Global burden forecast to grow 60% by 2030
- 850,000+ people dying annually around the world
- 250 million person addressable market in screening across US, EU and AU

RHYTHM VALUE

- Rhythm developing ColoSTAT®, a simple Blood test that can accurately detect colorectal cancer
- Over 13 years of development at CSIRO
- Low cost test that integrates with current blood testing process and protocols

DELIVERY

- Experienced management and board appointed
- Global patents in place
- Robust plan to deliver on commercial strategy



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