

Share Placement Of \$6.53M To Global Institutional Funds Manager

Highlights

- ✓ Rhythm raises approximately \$6.53m, before associated costs;
- ✓ Exclusive Placement to a single, global, institutional funds manager;
- ✓ Placement price of \$1.40 represents a modest 6% discount to last closing price of \$1.49;
- ✓ Funds raised will be used to accelerate both global commercial market entry activities for ColoSTAT® and development of additional cancer diagnostic targets; and
- ✓ Substantially extends cash runway into late 2023, excluding commercial revenue generation which is expected to be achieved within the period.

Transformative cancer diagnostics technology company, Rhythm Biosciences Ltd (ASX: **RHY**) (**Rhythm** or the **Company**) is pleased to confirm an exclusive placement to a single, global institutional funds manager for \$6.53 million. The new shares will be issued pursuant to ASX Listing Rule 7.1A (10% placement capacity).

The placement was led by Bell Potter Securities Limited.

About the Placement

New Shares to be Issued:	4,666,179
Issue Price of New Shares:	\$1.40
Amount Raised:	\$6,532,650.60

The funds raised will be substantially used to accelerate commercialisation including entry into the large and valuable US and broader international markets, support the scaling up of manufacturing capability, and a research and development program as part of the Company's platform technology expansion for other identified cancer targets.

Commenting on the Placement, Rhythm CEO and MD, Mr Glenn Gilbert said:

"The addition of a global leader in funds management onto our share register after significant due diligence on our Company is further validation of our achievements thus far and more importantly of our significant commercial potential which we believe will begin to be realised over the current year."

- ENDS -

Authorised for release by the Board.

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Non-Executive Director

About Rhythm Biosciences

Rhythm Biosciences is focused on becoming a globally significant, transformative, predictive diagnostics company, specialising in cancer detection technology. The Company is currently developing ColoSTAT® - a simple, low-cost, blood test for global mass market detection of colorectal cancer.

Worldwide, colorectal cancer is the third most common cancer in men and the second most common in women, accounting for an estimated 1.9 million new cases and 935,000 deaths annually.

In an effort to reduce the global burden, many countries have implemented screening programs aimed at early detection. These programs are predominantly administered with a faecal immunochemical test (FIT) for the assessment of colorectal cancer risk, with a positive result referred for a colonoscopy. FIT only analyses the presence of blood in faeces, which can occur for several reasons other than cancer, therefore it is not designed as an accurate test for cancer. Many people simply don't take the test for fear of an unnecessary colonoscopy procedure, unpleasantness, difficulty, or for religious/cultural reasons. There is currently no appropriate blood test alternative.

Rhythm aims to transform the global mass-market for colorectal cancer detection with ColoSTAT® its simple, low-cost blood test that is fit for purpose, meaning that it is designed to actually detect colorectal cancer. Since listing on the ASX in 2017, the Company has run a successful multi-year research and development program that has delivered technical validation of the core biomarker technology, being reproducible and stable. The ColoSTAT® test-kit was manufactured in 2021 and delivered performance testing that outperforms the current market standard faecal immunochemical test (FIT) utilising Rhythm's proprietary algorithm. The Company is currently finalising its clinical trial for ColoSTAT®, and is progressing regulatory, manufacturing and scale up activities ahead of market entry in 2022.

ColoSTAT® is designed to be used easily by laboratories without the need for additional operator training or additional infrastructure. ColoSTAT® has the potential to play a key role in reducing the morbidity and mortality rates and healthcare costs associated with colorectal cancer via increasing current screening rates.

Rhythm's initial targeted global addressable population is over 800 million people which are over 50 years of age. Almost 70%, or 550 million people, are not currently screened for colorectal cancer due to the limitations of the current faecal based testing regime. This "at risk" population is also expanding with the disease growing rapidly in much younger age groups. Early detection and intervention can lead to cure in over 90 per cent of new cases, therefore the need for effective screening and early intervention has the potential to save a significant number of lives. Rhythm estimates today's colorectal cancer screening market alone to be worth in excess of \$38 billion.