NOVA EYE MEDICAL LIMITED

(FORMERLY ELLEX MEDICAL LASERS LIMITED)

1HFY21 INVESTOR PRESENTATION (ASX:EYE)

25 February 2021

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OUR BUSINESS

Our business comprises two segments; Glaucoma surgical devices and Laser therapy for chronic and age-related retinal conditions.

1. Glaucoma Surgical Devices Segment

- Glaucoma is the leading cause of blindness in the developed world. Glaucoma treatment with surgical devices represents the fastest growing segment of the market.
- Glaucoma management is in a period of renaissance with a realization minimally invasive glaucoma surgery (MIGS) devices represent better treatment than pharmaceuticals
- We aim to grow market penetration of our two proprietary glaucoma technologies iTrack™ and Molteno3® and to build a portfolio of complimentary consumable glaucoma devices that can leverage our sales and marketing infrastructure.
- Our iTrack™ device represents a MIGS treatment with the highest safety profile of any other MIGS device.
- Molteno3®, for late stage disease, has the longest history of proven clinical efficacy world wide
- Despite the impact of the global pandemic the EBITDA-level operating results of the Glaucoma Surgical Device segment materially improved during the first half of FY21 and was close to breakeven.

OUR BUSINESS

2. Laser therapy for chronic age-related retinal disease

- The treatment of chronic and age-related retinal diseases, such as early-stage age-related macular degeneration (AMD), represents one of the most significant unmet clinical needs in ophthalmology.
- We aim to develop and fund the commercialization pathway for our proprietary 2RT® laser as a proven restorative retinal therapy for patients with early-stage AMD, through newly-formed subsidiary AlphaRET
- Revenue based on per procedure fee and capital equipment sales business model.
- Currently approved for sale in Europe and Australia and on pathway to secure FDA approval to treat patients with early-stage AMD.
- Unique and proprietary mechanism of action may expand future indications.

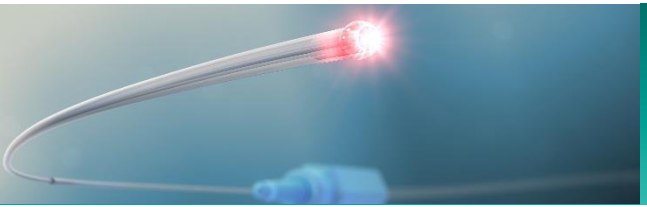
AMD

122 MILLION
People worldwide with AMD in its early stages

MARKET SIZE
US$5.1 billion

Market Scope reports and Company data

OUR CURRENT TECHNOLOGIES

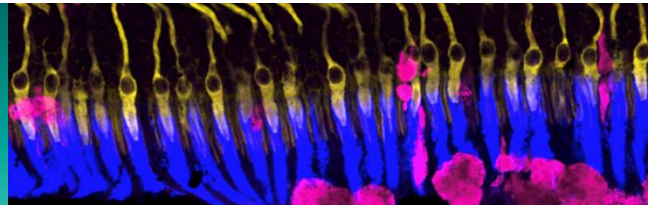


iTRACK™ FOR GLAUCOMA

Our proprietary iTrack™ MIGS device is redefining the treatment of mild-moderate glaucoma, achieving excellent clinical outcomes while preserving future treatment options. It can also be performed via an ab-externo approach for cases of advanced glaucoma.

MOLTENO3® FOR GLAUCOMA

Acquired from innovative world-leader Molteno Ophthalmic Ltd, the portfolio of Molteno glaucoma drainage devices are a highly effective option for cases of severe and complex glaucoma and provides the added benefit of a simplified and faster surgical procedure.

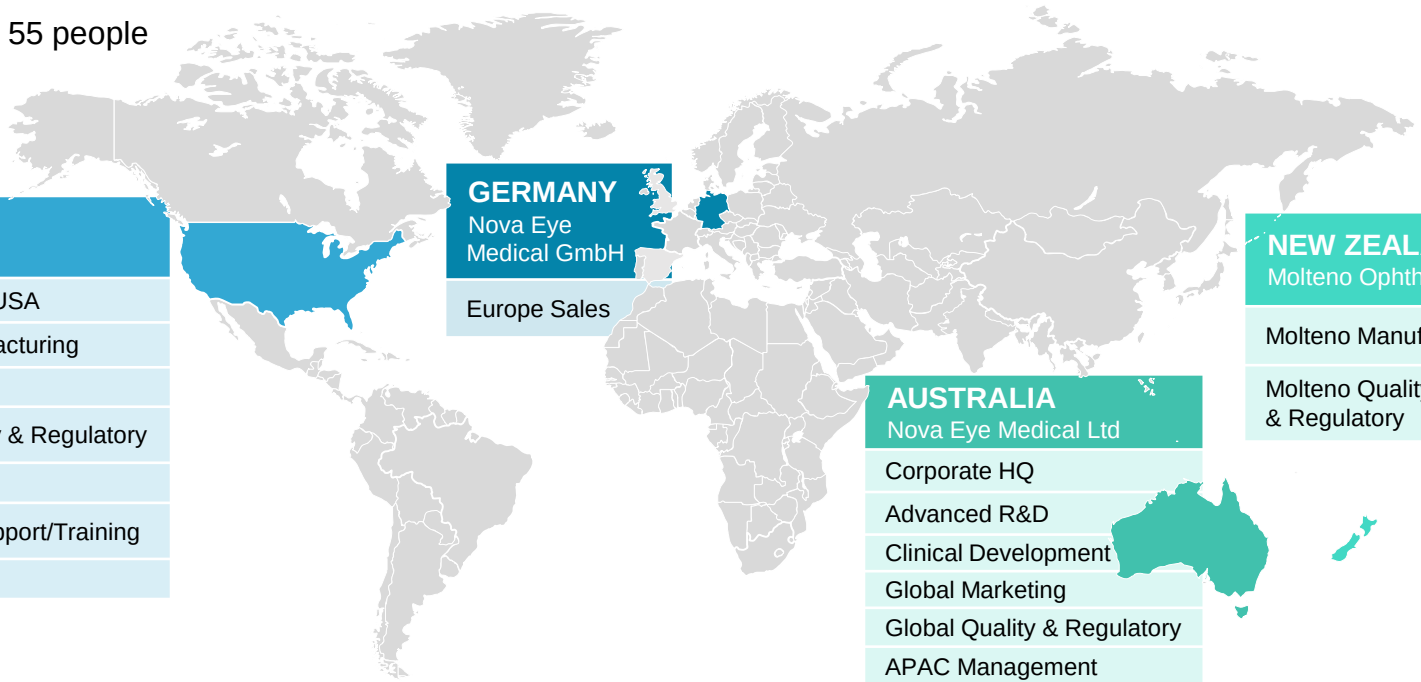


AlphaRET 2RT® FOR EARLY AMD

Our proprietary 2RT® nanosecond laser therapy is a proprietary world-first intervention designed to slow the degenerative processes associated with age-related macular degeneration (AMD). Our focus is to establish a multicenter study in the USA to gain FDA approval.

GLOBAL OFFICES

Global staff = 55 people



USA
Nova Eye, Inc

- Headquarters USA
- iTrack™ Manufacturing
- iTrack™ R&D
- iTrack™ Quality & Regulatory
- US Sales
- US Clinical Support/Training
- Finance

GERMANY
Nova Eye Medical GmbH

- Europe Sales

AUSTRALIA
Nova Eye Medical Ltd

- Corporate HQ
- Advanced R&D
- Clinical Development
- Global Marketing
- Global Quality & Regulatory
- APAC Management
- Investor Communications
- Finance

NEW ZEALAND
Molteno Ophthalmic Ltd

- Molteno Manufacturing
- Molteno Quality & Regulatory

1HFY21 COMPANY SNAPSHOT

Market Capitalisation[1]
$49.6 million

Pro-Forma Cash[2]
$29.5 million

Pro-Forma Enterprise Value[3]
$16.5 million

Global Employees
55

Directors & Mgt. Own
14%

1HYFY21 Revenue
$6.4 million

1HYFY21 EBITDA
-$0.8 million

Glaucoma segment 1HYFY21 EBITDA
-$0.3 million

[1] Data for market capitalisation as at 22 February 2021, [2] Enterprise Value calculated as market capitalisation, less net cash

1HFY21 HIGHLIGHTS

Glaucoma Surgical Devices	▪ Acquisition of Molteno3® and integration into sales channel ▪ Advance next generation iTrack™ ▪ Growth in surgical device unit sales despite pandemic ▪ Establishment of direct sales business in Germany
AlphaRET (2RT®)	▪ IDE submission for 2RT® with US FDA for registration study in 1H CY21 ▪ Special purpose company established to commercialize restorative retinal therapy

GROUP PROFIT & LOSS BY SEGMENT

- Growth in global market penetration in units sold of 8%, including 9% in the USA
- Revenue down just 1% in constant currency terms
- Material improvement in EBITDA–level result for Glaucoma Surgical Devices segment

		Glaucoma Surgical Devices		AlphaRET 2RT		Corporate or Other Income		Group	
	Growth	1HFY20	1HFY21	1HFY20	1HFY21	1HFY20	1HFY21	1HFY20	1HFY21
Units	8%	5,580	6,058						
Sales	-3%	6,616	6,423	811	221			7,427	6,644
Interest of Other							1,115		1,115
COGS + OPEX		(8,312)	(6,721)	(1,056)	(506)	(957)	(1,346)	(10,325)	(8,573)
EBITDA (loss)		**(1,696)**	**(298)**	**(245)**	**(285)**	**(957)**	**(1,159)**	**(2,898)**	**(814)**

GROUP BALANCE SHEET

	$000's	
	30 June 2020	31 Dec 2020
Cash + Cash Equivalents	95,649	29,476
Trade & Other Receivables	3,876	4,406
Inventory	2,934	3,239
Other Current/Non-Current Assets	14,283	14,501
TOTAL ASSETS	**116,742**	**51,622**
Income tax payable	(8,465)	(8,465)
Other Current/Non-Current Liabilities	(7,691)	(6,066)
TOTAL LIABILITIES	**(16,156)**	**(14,531)**
NET ASSETS / EQUITY	**100,586**	**37,091**

- **Reduction in cash includes $61 million distribution to shareholders in July 2020**
- Total cash at bank is $29.5 million
- Income tax includes $8.2 million payable from Lumibird transaction proceeds
- Trade and other receivables include $2 million in escrow from sale of Ellex Laser & Ultrasound business ($0.5 million released upon 1HFY21 tax payment)
- On 22 February 2021 lodged application for a second round “Paycheck Protection Program” loan under US government stimulus legislation. US$1 million received in April 2020 under first round

GLAUCOMA SURGICAL DEVICES

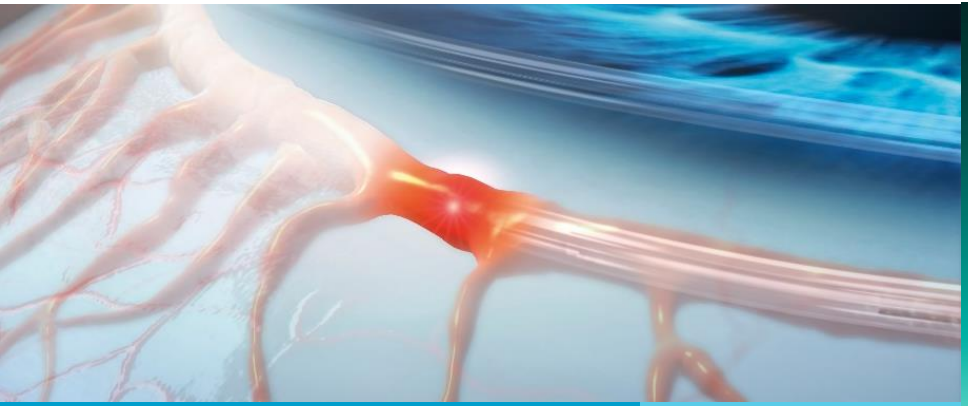
Two consumable devices for different stages of glaucoma

iTrack™

Our proprietary iTrack™ MIGS technology is redefining the treatment of **mild-moderate glaucoma**, achieving excellent clinical outcomes while preserving future treatment options. It can also be performed via an ab-externo approach for cases of advanced glaucoma.

Molteno3®

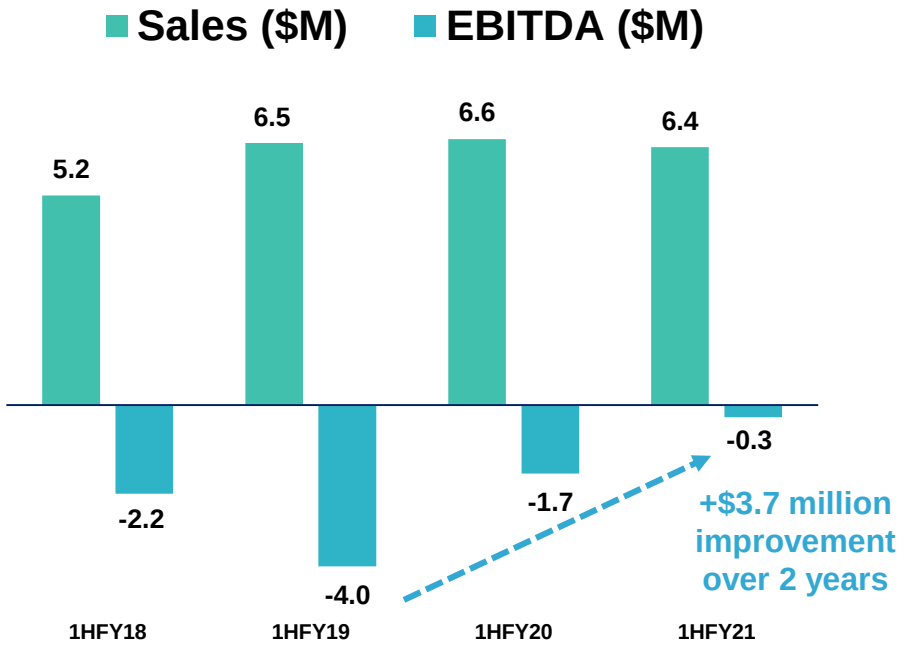
Recently acquired from the inventors of glaucoma drainage device technology, Molteno Ophthalmic Limited, the Molteno3® range of glaucoma drainage device is designed to manage long-term IOP control in cases of **severe and complex late stage glaucoma**.



GLAUCOMA SURGICAL DEVICES

1HFY21 HIGHLIGHTS

- Unit sales up 8% from 5,580 to 6,057 – including initial Molteno3® sales – despite pandemic
- Sales revenue down 3% to $6.4 million primarily due to appreciation of A$ against US$
- Major improvements in sales management and operating expenditures delivered materially improved EBITDA – level operating loss of $0.3 million, $1.4 million turnaround from pcp
- Investment to establishment of a direct sales business in Germany during November 2020 is progressing well
- Integration of Molteno3® into sales channel



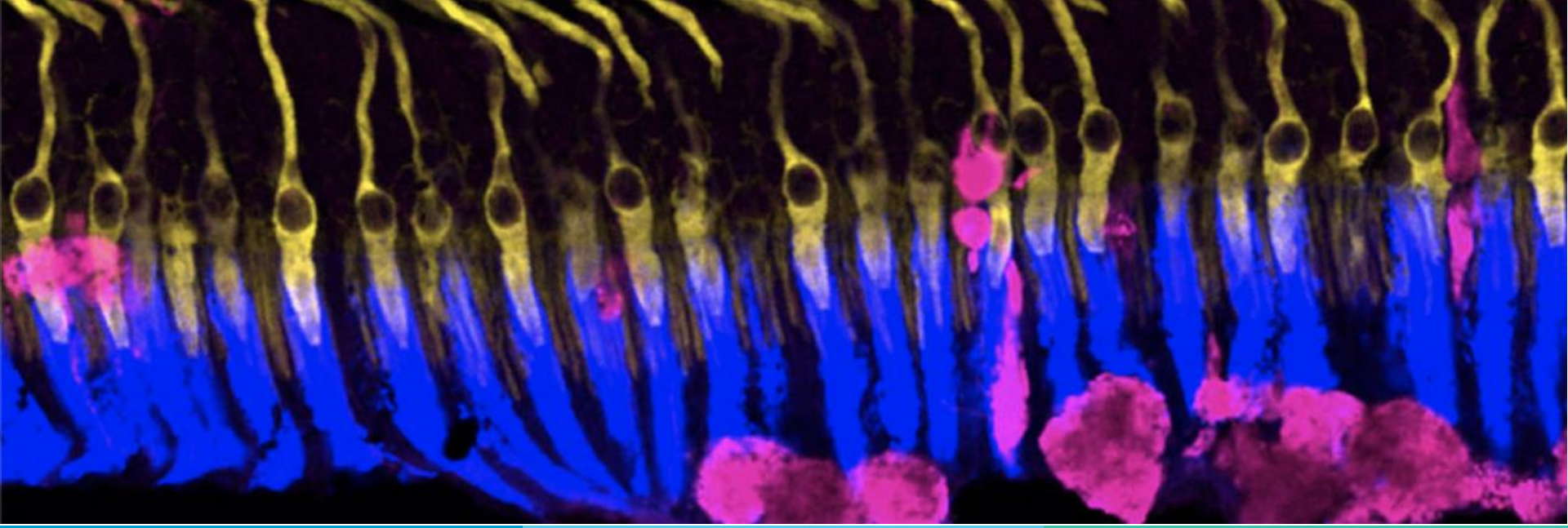
iTRACK™ SAFETY DATA CONFIRMED

iTrack enjoys the highest safety profile of any MIGS procedure

- 12-month prospective data examining stability of endothelial cell density (which measures damage to the corneal endothelium) following iTrack™ (in conjunction with cataract surgery) showed mean loss of only 4.8%
- This compares with other MIGS i.e., Hydrus (Ivantis) → -14.0% and iStent (Glaukos)* → -13.1%
- Damage to the corneal endothelium led to market withdrawal of the CyPass Microstent (Alcon) in 2018
- Nova Eye Medical currently advancing iTrack™ prospective, randomised, multi-centre study to further examine safety i.e. endothelial cell loss and intra- / post-operative complications, and efficacy i.e. IOP reduction and medication reduction, Interim results of this study have been accepted for presentation at major scientific meetings in 2021.

ENDOTHELIAL CELL LOSS	
iTrack™	- 4.8% (1)
iStent®	-13.1% (2)
Hydrus®	-14.0% (3)

1. *Lubeck DM, Singh IP, Noecker RJ. Evaluation of Endothelial Cell Density and Loss Following iTrack Ab-Interno Canal Based Surgery. ASCRS 2020 (Paper Presentation).*
2. *Samuelson, T et al, Prospective, Randomized, Controlled Pivotal Trial of an Ab Interno Implanted Trabecular Micro-Bypass in Primary Open-Angle Glaucoma and Cataract, Ophthalmology June 2019, pages 811-821 2.*
3. *Samuelson, T et al, A Schlemm Canal Microstent for Intraocular Pressure Reduction in Primary Open-Angle Glaucoma and Cataract, Ophthalmology, Jan 2019, pages 29-37*



AlphaRET

A potential breakthrough therapy for patients with age-related macular degeneration in its early stages, a multi-center trial has demonstrated that our proprietary 2RT® technology achieves a 77% reduction in the rate of progression to late-stage AMD in 75% of selected patients, compared to sham non-treated group.

AlphaRET 2RT® UPDATE

- Continued to progress an Investigational Device Exemption (IDE) application with the US Food and Drug Administration (FDA) to commence a pivotal study for 2RT®
- Completion of IDE submission expected in first half of calendar year 2021
  - Further refinements to application in process
  - Addressing protocol with assistance from FDA
  - Review of LEAD five-year extension data in progress
- No FDA cleared drug or device-based treatments for the treatment of AMD in its early stages
- Subject to final design acceptance and costings for study, plan is to partner the program
- 2RT can meet a major global unmet need. In February 2021 the Australian Government announced that spend on pharmaceutical treatments of AMD in its late stage is now the highest spend in the Pharmaceutical Benefits Scheme (A$392m). This ranking of expenditure is mirrored in most developed countries.

OUR OUTLOOK

Nova Eye Medical is well positioned to capitalise on a recovery in the glaucoma surgical device market through 2021 as COVID-19 vaccination rates accelerate and surgical centres re-open to patients

1. GLAUCOMA SALES FOCUS: investment into iTrack™ and Molteno3® market development in preparation for aggressive sales drive post COVID-19.

2. INVESTMENT IN GLAUCOMA TECHNOLOGY PIPELINE: product development including next generation iTrack™ for deployment post COVID-19 market recovery.

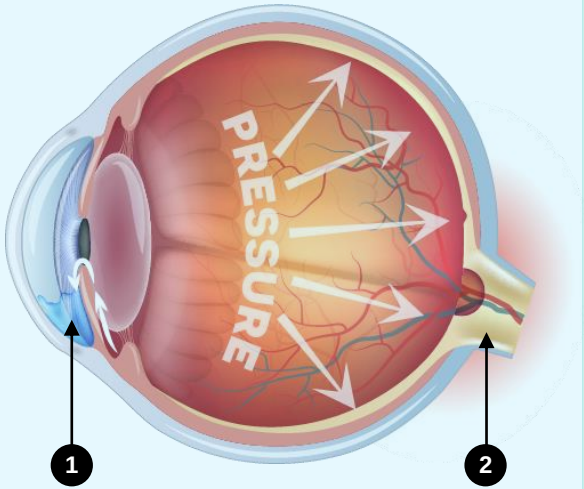
3. 2RT® COMMERCIALISATION: file for 2RT® IDE with the US Food and Drug Administration (FDA).

4. MEASURED GROWTH: sales growth could continue to be negatively impacted until COVID-19 impact subsides in the USA.

ABOUT GLAUCOMA

Glaucoma is the leading cause of blindness in the developed world – but up to 50% of patients with glaucoma do not realise they have the disease and >50% of diagnosed patients are non compliant .

- Glaucoma is a group of diseases that cause vision loss due to optic nerve damage.
- Progressive, irreversible disease.
- Reducing intraocular pressure (IOP) is the only proven treatment for glaucoma.
- There is no cure for glaucoma.
- Topical medications are standard of care but nonadherence is ubiquitous.



Drainage canal becomes blocked; too much fluid stays in the eye and IOP rises.

High IOP damages optic nerve.

WHAT CAUSES GLAUCOMA?

Blocked drainage causes rise in IOP. Elevated IOP can damage the optic nerve.

IOP is measured in millimetres of mercury (mmHg). Normal IOP in healthy eyes ranges from 10-21 mmHg.

GLAUCOMA SEVERITY

Mild: IOP 25-30 mmHg with moderate nerve damage & visual field loss

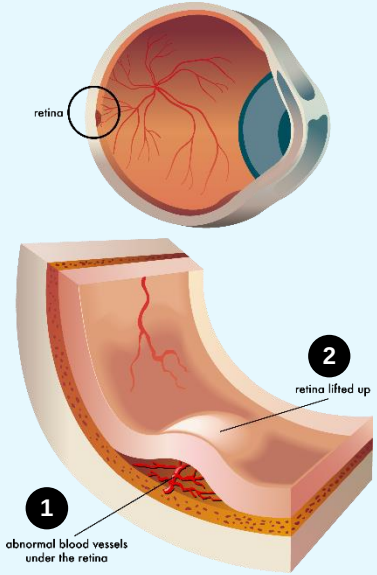
Moderate: IOP > 30 mmHg with moderate nerve damage & visual field loss

Advanced**:** uncontrolled IOP with significant nerve damage & visual field loss

ABOUT AMD

In Australia, one in seven people over the age of 50 (1.29 million people) have some evidence of AMD. In the United States, the prevalence of AMD is 11 million.

- Age-related macular degeneration (AMD) refers to a a group of chronic, degenerative retinal eye diseases that cause progressive loss of central vision
- There is no cure for AMD
- Anti-VEGF medications are standard of care but only treat the symptoms associated with late-stage disease – they do not address the underlying causes of AMD.



WHAT CAUSES AMD?

AMD is usually related to ageing and most frequently affects people aged +50.

Smoking, having high blood pressure or high cholesterol and obesity, are risk factors. Diet and lifestyle are important for maintaining healthy eyes.

STAGES OF AMD

Early / Intermediate Stage: caused by the progressive build-up of drusen under retina.

Late Stage, Dry: caused by the gradual atrophy (loss) of retinal cells.

Late Stage, Wet: caused by the formation of fragile blood vessels which leak fluid and blood within and under the retina.

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