CONFIDENTIAL Update for Rex Bionics PLC SHareholders May 8, 2018

Rex Bionics continues to make strides towards our market development activities in the key countries of the US, UK, AU and NZ as well as working towards the launch of REX in China. The company also continues to work toward a next product design that incorporates more of the specific needs of in patient rehab in stroke.

In the US we have continued to make progress on our target list of customers identified to aid in maret development, and have recently received approval for extended clinical demonstrations at Columbia University and Mt Sinai Hospital in New York. We are awaiting approval at the Bronx VA. We have also completed product demos at other sites that will likely result in orders. Once devices are in these centers we plan to develop a clinical trial in stroke patients using the knowledge of these experts in designing and carrying out that clinical trial.

In Australia we have been making good progress in the AIN clinical trial, the HELEN Project. We have also made progress with NeuroMoves in Sydney and are looking to future collaborations with them on clinical research that we hope to get grants to fund. We have multiple demonstrations set up and have just completed a big training round and have another one scheduled for June.

In the UK we have been making great progress on RAPPER III, our multiple sclerosis clinical trials in East Kent with Dr. Mo Sakel. The data from the first phase was very encouraging and we hope to have final ethics committee approval for the next phase, RAPPER IV, in late May and enrolling patients in June. The paper from the first phase is being finalized and submitted for publication and has been submitted to ACRM for presentation in the fall.

We have also finalized the final clinical paper for submission from the RAPPER II study. Again the results are very favorable and we are excited to get the paper published.

We are very excited about the progress we are making with the Chinese FDA towards approval of REX in China. We had a panel meeting in October and received questions at the beginning of the year that are in the process of being finalized. We hope to have the final approval by the 3rd quarter and will begin commercialization at that point. We see the Chinese opportunity for the current REX as one of the most important opportunities for us and are focusing resources on that.

We have also continued to make progress on the new product development. Working with McLaren we are coming up towards the end of the concept development phase and are spending time evaluating the concept as we make decisions on moving forward the design with our internal team supported by outside expertise provided by McLaren and others. We are excited about the quality of the thinking and work that has gone into the process that will result in a great next product for the company. To support those effort the company has hired a new VP of Research and Development and Manufacturing who will start at the beginning of June.

This person has deep medical device development experience and will be very helpful in guiding the team in New Zealand to success on the new product development.

We continue our efforts to constantly improve the company's overall processes and procedures and are working towards meeting new regulatory standards that have been introduced that we must meet with the current product. The team is working diligently on tehse alongside meeting the requirements for CFDA, all of which continues to make Rex a stronger company and stronger future competitor in the field.

Regards,

Chuck