



CRH Medical Corporation

Investor Presentation

January 2016



Caution regarding forward looking statements

Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this document. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in forward-looking information, including, without limitation: our need for additional financing and our estimates regarding our capital requirements, future revenues and profitability; unfavourable economic conditions could have an adverse effect on our business; risks related to the Company's credit facilities; the policies of health insurance carriers may affect the amount of revenue the Company receives; our ability to successfully market and sell our products and services; our estimates of the size of the potential markets for our products and services; we may be subject to competition and technological risk which may impact the price and amount of product we can sell and nature of services we can provide; our ability to and the cost of compliance with extensive existing regulation and any changes or amendments thereto; changes within the medical industry and third-party reimbursement policies and our estimates of associated timing and costs with the same; changes in key United States federal or state laws, rules, and regulations; our ability to establish, maintain and defend intellectual property rights; risks related to U.S. antitrust regulations; risks related to record keeping and confidentiality by our affiliated physicians; our ability to recruit and retain qualified physicians to provide our services; our ability to enforce non-competition covenants of any departed physicians; risks related to corporate practice of medicine and our ability to renew and maintain agreements with anesthesiologists and other contractors; risks related to our ability to renegotiate, renew or replace services agreements under which we provide anesthesia services; risks related to changes in regulations that would necessitate adapting or re-negotiating our existing operating agreements; our ability and forecasts of expansion and the Company's management of anticipated growth; our senior management has been key to our growth and we may be adversely affected if we are unable to retain, conflicts of interest develop with or we lose any key member of our senior management; risks associated with manufacture of our products and our economic dependence on suppliers; changes in the industry and the economy may affect the Company's business; risks related to the competitive nature of the medical industry; evolving regulation of corporate governance and public disclosure may result in additional corporate expenses; adverse events relating to our product or services could result risks relating to in product liability, medical malpractice, other legal claims, insurance, product recalls and other liabilities; risks associated with use of our products in unapproved circumstances; various risks associated with legal, regulatory or investigative proceedings; health and safety risks are intrinsic within our industry; our ability to successfully identify evaluation and complete future transactions; anti-takeover provisions create risks related to lost opportunities; we may not continue to attract gastroenterologists and other licensed providers to purchase and use the CRH O'Regan System or to provide our services; risks associated with the trading of our common shares on a public marketplace; risks related to adverse movements in foreign currency exchange rates; and risks related to maintaining our foreign private issuer status.

About CRH



- ◎ CRH Medical (TSX:CRH)
 - ◎ A growing healthcare products and services company
 - ◎ We serve gastroenterologists (“GIs”) in the US market
 - ◎ CRH’s solutions benefit the patient and the physician
 - ◎ We help our physician partners generate increased revenue
 - ◎ CRH has developed long-standing and significant relationships with the GI community through our medical device

Our Business Lines:

Product: CRH O’Regan System for hemorrhoid ligation

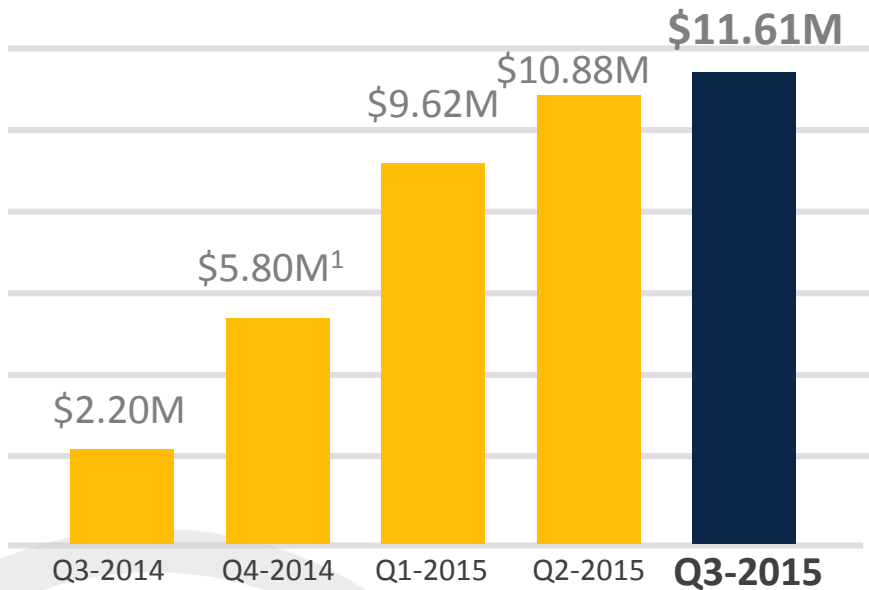
Service: GI Anesthesia Services (for gastrointestinal endoscopy)

Financial Performance

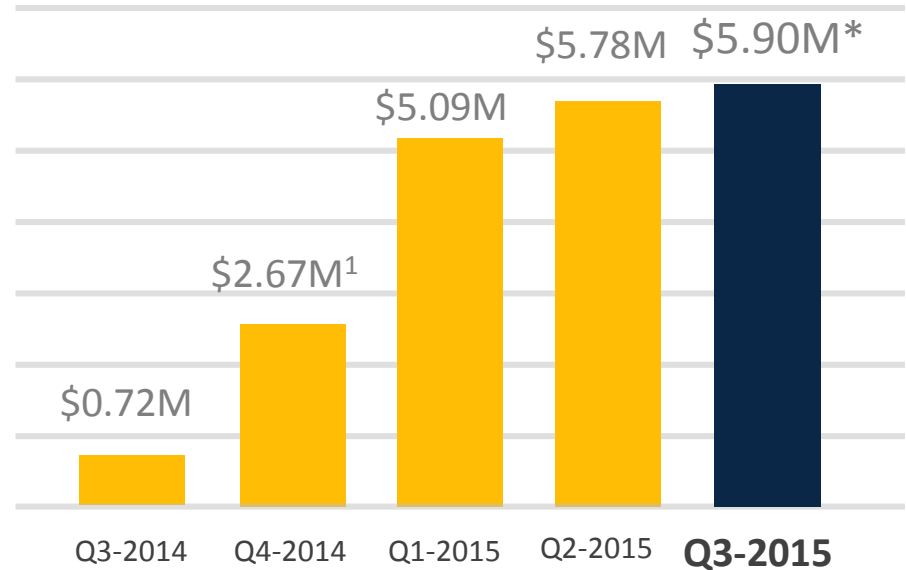


Quarterly Financial Performance

- Steady quarterly growth from service revenue and product sales
- Growth through accretive acquisition at attractive EBITDA multiples



Revenues



EBITDA*

* Operating EBITDA is a non-IFRS measure defined as operating income before acquisition related corporate expenses, stock based compensation, depreciation and amortization.
1. Includes one month of anesthesia services

CRH O'Regan System



The O'Regan System has allowed CRH to establish itself as a valuable partner to the GI Community

Doctor-to-doctor relationships - no traditional sales infrastructure

KOL relationships and numerous clinical publications

Value-added services – Advertising and co-promotion activities

> 2100
GIs trained by CRH

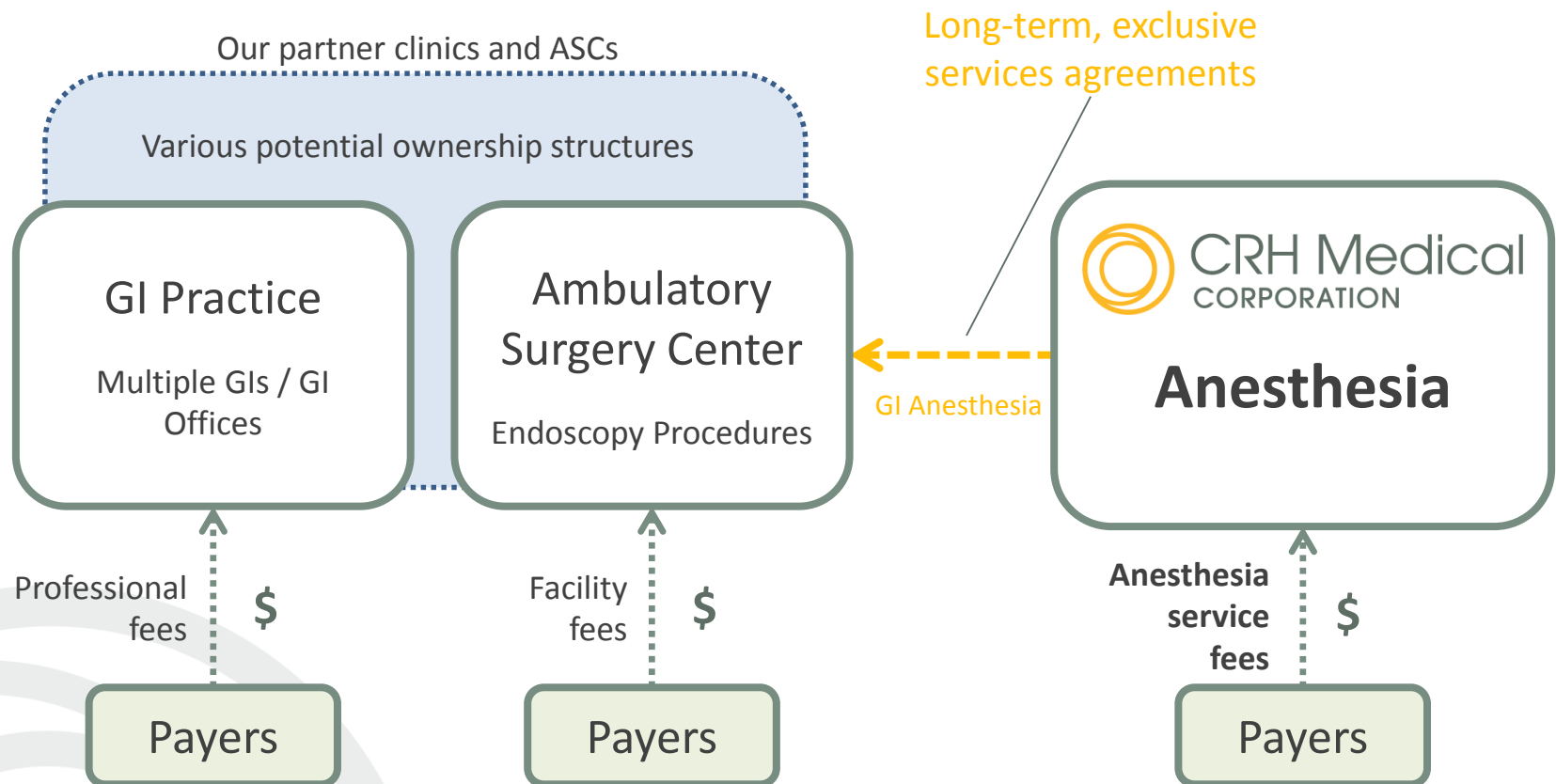
> 800
GI Practices
actively using the
O'Regan System

> 75%
of GI Practices
trained become
active users

- ⦿ CRH created a paradigm shift – was an untapped revenue stream for GIs
- ⦿ Over 800,000 procedures performed
- ⦿ Growing, high margin business line

GI Anesthesia

- The GI Practice, ASC, and Anesthesia provider all bill the public/private payer separately
- Long-term, exclusive service agreements exist between the ASC and Anesthesia provider
- No financial consideration is legally allowed between the Anesthesia provider and the ASC, renewal of contracts is based solely on quality of service and relationships built



The GI Anesthesia Market



CRH and the GI Anesthesia Market

Large and Fragmented: 800-1,000 GI centric ASCs in the U.S. dominated by smaller groups servicing 1 to 3 ASCs

Competitive Advantage: GI relationships and trust built, strengthen CRH's market position

Ease of Integration: New acquisitions can be quickly integrated without disruption to the practice

- Roughly 6 million¹ deep sedation endoscopies take place each year at GI specific ambulatory surgical centers (ASC's)

We currently serve roughly 2% of the market → significant growth potential

Favourable factors for CRH

Growth of deep sedation:

Patient comfort – No memory/awareness of the procedure and fast post procedure recovery - increases patients' willingness to get an endoscopy

Doctor advantage – The patient is fully still, limiting procedural interruptions. Patients are also more alert during the post-procedure visit

Financial advantage – GIs benefit from higher throughput due to faster recovery

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- The co-pay and deductible for deep sedation for screening colonoscopies was eliminated as part of the affordable care act
 - Market opportunity to grow as endoscopic procedures continue to shift away from hospitals to ASC's
 - Motivated Sellers: OIG* Opinion 12-06 casts doubt on legitimacy of GI-owned anesthesia providers – additional reason for doctors to monetize

Growth through acquisition

Acquisition Strategy:

- Consolidate a large and fragmented market
- Proactive, systematic approach to identifying high-value acquisition targets
- Leverage our strong reputation in the GI community as a trusted quality service provider
- Apply a disciplined valuation methodology and due diligence approach
- Our experience in contracting, billing and collections allows us to maximize procedural reimbursement
- Track Record: Competitive advantage in GI anesthesia acquisitions due to our history of value-added service within the GI community

“It is our goal to be the leader in GI-focused anesthesia”

Operational achievements in 2015

- CRH added \$15.5M in expected annual revenue through 4 acquisitions - \$4.4M attributable to minority interest
- Completed a \$27M bought deal financing at \$3.40
- Research coverage initiated by 6 analysts
- Revenue and EBITDA growth every quarter during 2015
- Obtained a NYSE Listing and rang the opening bell
- Partnered with Scotiabank to refinance debt structure

Scotiabank Partnership



Scotiabank Revolving Credit Facility

- Our relationship with Scotiabank forms a low cost of capital platform from which to execute our growth strategy
- Expected total interest cost of approximately 3.5% per year shows CRH's low-risk profile in the eyes of Scotiabank
- Partnering with Scotiabank increases credibility and investor confidence for CRH in the capital markets
- Approximate 2016 savings expected to be US\$2.5M

Management Team

Edward Wright – CEO

Leadership has successfully guided the continuous evolution of CRH into a successful healthcare company, with 19 consecutive quarters of growth. Prior to CRH, Vice President of Retail in North America for Cartier. The extensive experience in luxury retail sectors has been a key factor in establishing CRH's relationships and significant brand equity

Richard Bear – CFO

Focus on efficiency and data-driven insight created the high profitability of O'Regan device sales and delivered the attractive beachhead anesthesia acquisition at an attractive price. Formerly CFO of ID Biomedical and financial roles at AT&T wireless and XO Communications, resulting in CRH benefiting from a focus on technology, operational efficiency and financial controls

Board of Directors

Tony Holler MD – Chairman of the Board of Directors

Founder of ID Biomedical - led the company from founding through to the 2005 acquisition by GSK for CDN\$1.7B

Todd Patrick – Director

Formerly President & COO of ID Biomedical and now President & CEO of C3 Jian, a clinical-stage biotech company that recently secured US\$60M in series D funding

Ian Webb – Director

Formerly a partner at Borden Ladner Gervais LLP, where he focused on the legal requirements of public companies

David Johnson MD – Director

Former President of the American College of Gastroenterology – remains a practicing GI and KOL in the space

Bergein Overholt MD – Director

Former President of the American Society for Gastrointestinal Endoscopy – led his practice in establishing the first endoscopic Ambulatory Surgery Center in the country

Financial Portrait



CRH and the Capital Markets

Shares outstanding	70.9M
Fully-diluted	75.6M
Symbol	TSX: CRH NYSE: CRHM
Share price (as of January 22, 2016)	CAD\$3.58
Market cap	CAD\$254M
Average daily volume ⁽¹⁾	368,700
Cash (as of September 30, 2015; less amount used for Scotiabank refinancing)	US\$4.5M
Debt (after Scotiabank refinancing)	US\$34M

(1) 3 month average daily trading volume as of January 22, 2016

Thank You



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