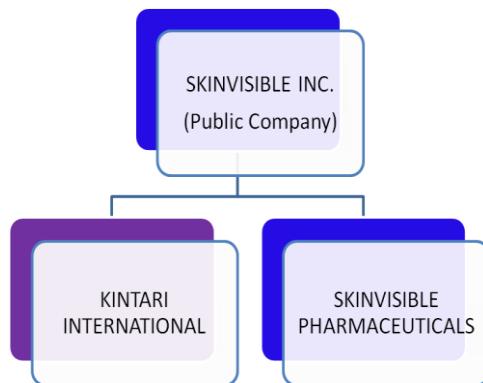




## ANNUAL SHAREHOLDER LETTER: 2015 IN REVIEW

Dear Valued Shareholder:

I want to express my sincere appreciation to you, our Skinvisible shareholders for your encouragement and on-going support as Skinvisible continues to build its revenue base, equity and shareholder value. We continue to focus our efforts on our two subsidiaries: Skinvisible Pharmaceuticals, Inc. and Kintari International Inc., both of which have exciting prospects for 2016 which are summarized below.



### 2015 Skinvisible Highlights:

#### Skinvisible's Launches Wholly-Owned Subsidiary: Kintari



In 2015 Skinvisible launched a wholly-owned direct sales company called Kintari in the USA. This is the first time Invisicare® products are being sold directly by the company. We knew that this would be an excellent avenue for us to pursue in order to get our much-demanded products into the marketplace.

We are excited to say that we have had excellent response to our products. I encourage you to look at our website [www.Kintari.com](http://www.Kintari.com) and read the testimonials from our enthusiastic customers.

Kintari sales are generated by independent distributors. We are proud to say we have distributors from across the United States, with more being added daily. In 2016 Kintari will expand to Canada. The same products will be offered in addition to the long-anticipated DermSafe® our non-alcohol hand sanitizer. The momentum is building in Canada and we anticipate an exciting launch by the end of the second quarter.

- **Youth Renewed Day Cream and Youth Renewed Night Cream:**

Kintari products are formulated with the most effective combination of anti-aging ingredients combined with our patented Invisicare® skin technology including antioxidants, a combination of five moisturizers and a powerful anti-aging ingredient to help skin look youthful in the daytime and to repair during the night-time.



- **Skinbrella® Sunscreen:**

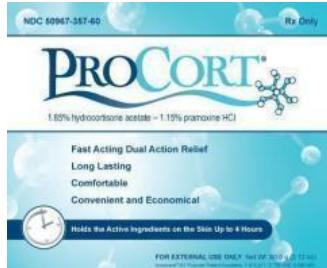
Skinbrella is a pharmaceutical-grade sunscreen, developed to protect the whole family. Not all sunscreens are alike and Skinbrella is definitively like no other. Along with achieving the FDA's highest rating for water-resistance (80 minutes) and having the distinction of being classified as "broad spectrum" due to our Invisicare® technology Skinbrella has been granted a US patent for its ability to stabilize the UVA sun filter called avobenzone. Avobenzone is notorious for breaking down in sunlight (over 30% in one hour) however when formulated with Invisicare, we were able to prove it offers a minimum of 8 hour photostability (US Patent Number 8128913).





## Skinvisible Pharmaceutical Revenue

Skinvisible Pharmaceutical's business model complements Kintari. Skinvisible has developed over forty products with our patented Invisicare® delivery technology. Products that we are not launching under Kintari are available to global pharmaceutical, consumer goods and cosmetic companies to license. For this we earn revenue from license fees, royalties and the sale of Invisicare® to our licensees.



Our licensee Womens Choice Pharmaceuticals sells ProCort®, our prescription hemorrhoid cream made with Invisicare® which is licensed exclusively for the United States. Skinvisible receives quarterly royalties from Womens Choice in addition to the sale of Invisicare. Womens Choice has new ownership and an expanded plan for 2016. We anticipate increased revenues in 2016 from ProCort sales.



In addition, we continue to carry on a ten+ year supply agreement with Avon Products, providing them with Invisicare® globally. We supply Invisicare® polymers for cosmetic use in Avon lipstick products.

## Kintari to Launch DermSafe® in Canada in 2016

In addition to other products which are in the pipeline to be launched by Kintari in 2016, Skinvisible is excited to be launching DermSafe® hand sanitizer in Canada. DermSafe is a non-alcohol hand sanitizer which is approved for sale in Canada. The benefits of DermSafe® are as follows:



- **Made Without Alcohol:** non-drying, daily use lotion;
- **Preventative Protection:** acts like a protective glove to your hands and uses 4% Chlorhexidine Gluconate ("CHG") (~2.25% Chlorhexidine) for effective protection;
- **Kills Bacteria:** E.Coli, MRSA, Listeria, Salmonella, Strep, Staph;
- **Kills Viruses:** Influenza A viruses (ie/ H1N1-swine flu, H5N1 –bird flu, H7N9), influenza B, hepatitis C and recently tested on MERS;
- **Long-lasting:** works for 4+ hours without reapplying, even after hand washing;
- **Long Safety Record:** CHG used for 50+ years in hospitals as pre-surgical scrub for surgeons and pre-op preparation for patients;
- **Skin Protection:** Invisicare polymers add skin barrier protection;
- **Lifestyle Choice:** multiple daily use / year-round product;
- **Approved:** in Canada (DIN), and in Europe (Registered), Approved for import to Singapore, Registration / approval required in some countries (USA – NDA).



## Skinvisible's Expands Patent Portfolio: Acne

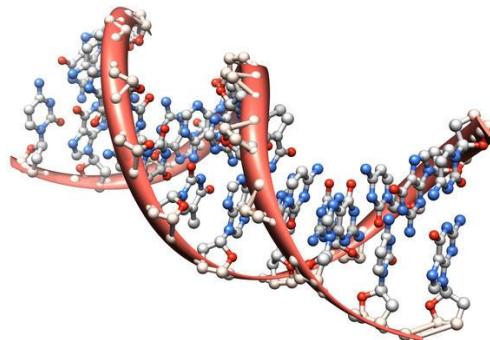
*Demand for a patent protected pipeline of dermatology products is growing rapidly as the global medical dermatology market continues to expand and new molecules are not available.*

Skinvisible is therefore committed to enhancing our patent portfolio to add longevity and strength to our existing patents and to expand into new areas with comprehensive coverage. All Skinvisible formulations are protected by our Invisicare patents which include 16 patents globally including US, Canada, Australia, Europe (4), China, Hong Kong, S. Korea and India.

In September we were granted an important patent by the United States Patent and Trademark Office entitled, "ACNE TREATMENT COMPOSITION AND METHODS FOR USING". This further protects and adds value to all of our acne formulations including prescription and over-the-counter (US Patent Number 9149490).

## Skinvisible's Orphan Drug Candidate

Skinvisible has an orphan drug candidate for the treatment of a genetic skin disorder called Netherton Syndrome (NS), a sub-type of ichthyosis. Along with providing a treatment for NS patients that have little to no options, Skinvisible is seeking orphan drug status in the United States and Europe for its added value (7-10 years of exclusivity, expedited review, etc.). In 2015 we reformulated our initial NS formulation and will be undertaking a clinical study in Q1 of 2016. If successful, the data collected from this study will provide Skinvisible with the ability to re-submit our application to both the FDA and the EMA (European Medicines Agency). We believe the data generated from our study as well as achieving orphan drug status for our product, will lead to a pharmaceutical licensing opportunity.



## Skinvisible's Product Portfolio

### Expansion

We continue to develop new product formulations in both the prescription market as well as OTC (over-the-counter). To date we have developed and have ready for licensing over forty products including prescription (acne, actinic keratosis, anti-fungals, anti-inflammatories) and over thirty OTC and cosmeceutical products including acne, moisturizers, sunscreens, sunless tanners, hand sanitizers, etc.

Invisicare is a high performance technology that improves how products are delivered to the skin.

All of Skinvisible's products are incorporated with the Invisicare benefits.

As we advance our clinical and OTC pipeline of topical products, we are also continuing to explore the broader applications of our Invisicare® technology. We currently are in licensing discussions with a number of potential pharmaceutical partners interested in our Invisicare product developments.



#### Invisicare Benefits:

##### Skin Protection:

- Forms a protective bond that holds ingredients on your skin resisting both rub-off & wash-off while your skin still breathes naturally

##### Superior Delivery:

- "Super Charges" ingredients & delivers targeted levels to your skin

##### Enhances Ingredients:

- Has a stabilizing effect on ingredients so they don't break down & are available to do what they are intended to do

##### Skin Friendly:

- Invisicare improves your skin barrier function by retaining water / moisture in your skin & preventing damage from outside elements & toxins

##### Less Additives:

- Formulations do not contain alcohol, parabens, waxes or other organic solvents



## 2016 Future Growth

Last year we were very focused on our expansion into direct sales with Kintari. We believe that 2016 will allow us to ramp-up our revenues from Kintari while at the same time re-focus on Skinvisible opportunities with new partners. These are truly exciting times for our Company. We look forward to a number of value-creating opportunities in 2016 and building shareholder value through the following:

- We are confident that our direct sales company Kintari will continue to grow in the United States and we are excited to be expanding into Canada in 2016. We also anticipate the launch of new products in 2016 that will escalate revenues in a short period of time;
- We anticipate concluding our on-going negotiations for a number of product license agreements for both the USA and internationally;
- Product development will be a focus in 2016. It will be aligned with the development needs of Kintari which includes an eye cream, hand and body lotion plus the retail sale of DermSafe in Canada;
- We have engaged a number of experts that can assist our Company to meet our full potential in 2016 with international licensing agreements, partnerships and expansion. We are also actively seeking new investors and partners to support our growth and enhancement of our many opportunities;

In closing, we are thankful for your ongoing support and confidence. We believe that 2016 will be our break out year as we drive revenue with Kintari and new licencing agreements for our pharmaceutical and OTC product formulas.

Terry Howlett  
President & Chief Executive Officer

**Skinvisible, Inc. SKVI on OTCQB ([www.otcmarkets.com](http://www.otcmarkets.com)).**

**Forward-Looking Statements:** This press release contains 'forward looking' statements within the meaning of Section 21A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbors created thereby. Such statements involve certain risks and uncertainties associated with an emerging company. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. The Company has no obligation to update these forward-looking statements. Actual results could differ materially from those projected in the forward looking statements as a result of risk factors discussed in Skinvisible, Inc. reports on file with the U.S. Securities and Exchange Commission (including, but not limited to, a report on Form 10Q for the quarter ending October 30, 2015).