

Breath Diagnostics

Patented Breath Test to Detect Lung Cancer

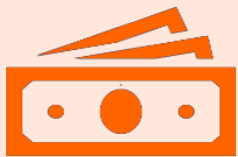
Faster | Affordable | Safer

Current Lung Cancer Diagnostic Tools are Costly and Ineffective



High Mortality Rate

- Lung cancer kills more people than any other cancer (25% of all cancer deaths)
- Early detection is critical to survivability
 - high percentage of lung cancers are undetected until late stage
- Low patient compliance with respect to conventional screening procedures



Expensive

- Initial CT scans minimally cost \$300
- All positive CT scans require at least one diagnostic follow-up procedure
- Follow-up procedures may cost \$3,000—\$15,000 for each procedure
 - Bronchoscopy, Needle Biopsy, PET Scan, Surgical Biopsy



Less Effective

- CT scans expose the patient to 20x more radiation than a chest X-ray
- CT scans do not indicate if spots on the lung are cancerous
- **High False-Positive Rate:**
 - 40% of the at-risk population will show concerning results from a CT scan
 - ~2% of people in this population actually have lung cancer
 - ~38% require unnecessary follow-up procedures

Lung Cancer Detection by Breath Analysis



More Accurate, Less Expensive

- Breath analysis is 2x more predictive than a PET scan
- PET scans are routinely administered as follow-up to CT scans
- PET scans minimally cost 5x more than a breath test (\$3,000 vs. \$600)



More Accessible

- No safety risk
- Office based procedure
- Simple collection and processing



Safer & Quicker Results

- Results in less than 24 hours
- No radiation exposure
- Non-invasive test

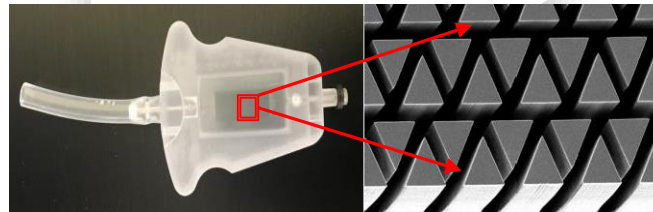
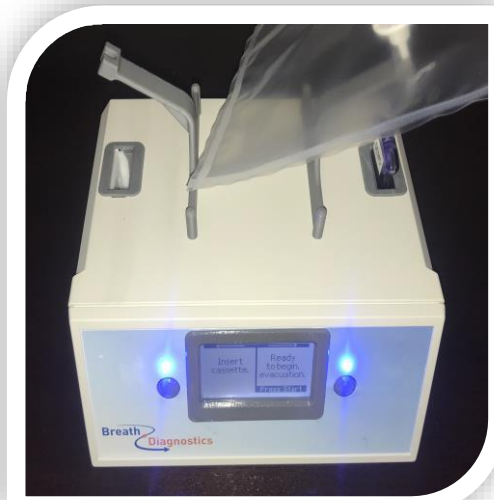
Step 1



Breath Collection

- Exhale into a 1L plastic bag
- One complete breath
- Must be continuous

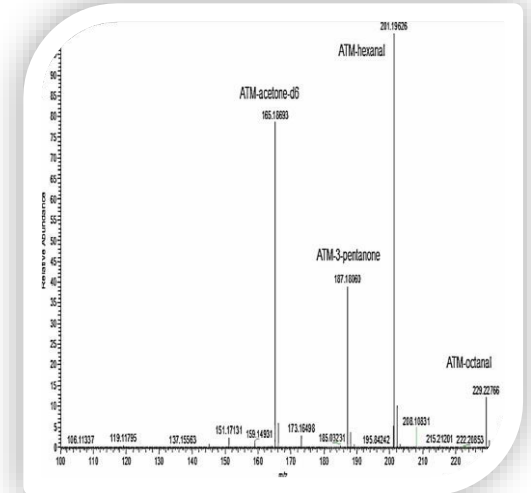
Step 2



Breath Processing

- Connect the bag to the cassette
- Plug the cassette into the evacuation station
- The cassette isolates and concentrates ~30 cancer biomarkers
- 4 are indicative of lung cancer

Step 3



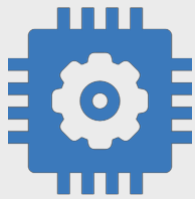
Results in 24 Hours

- Ship cassette to the lab
- Flush cassette with solvent
- Inject solvent into mass spectrometer
- Report to physician and patient



Patents

- Two issued US and European patents and two pending
- Platform technology protected in US and Europe
- Multiple international patent applications under review



Best-in-Class Technology

- Most peer-reviewed clinical data published on breath analysis technology
- **94% sensitivity & 86% specificity** for lung cancer detection in at-risk subjects



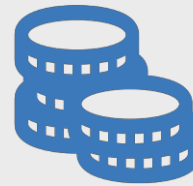
Peer-Reviewed Publications

- Published 10 peer-reviewed journal articles
- Presented data at national and international conferences



Research Data

- 800 subjects studied at three clinical sites
- Included patients with cancer / benign disease
- Controls include smokers and non-smokers



Reputable Funding

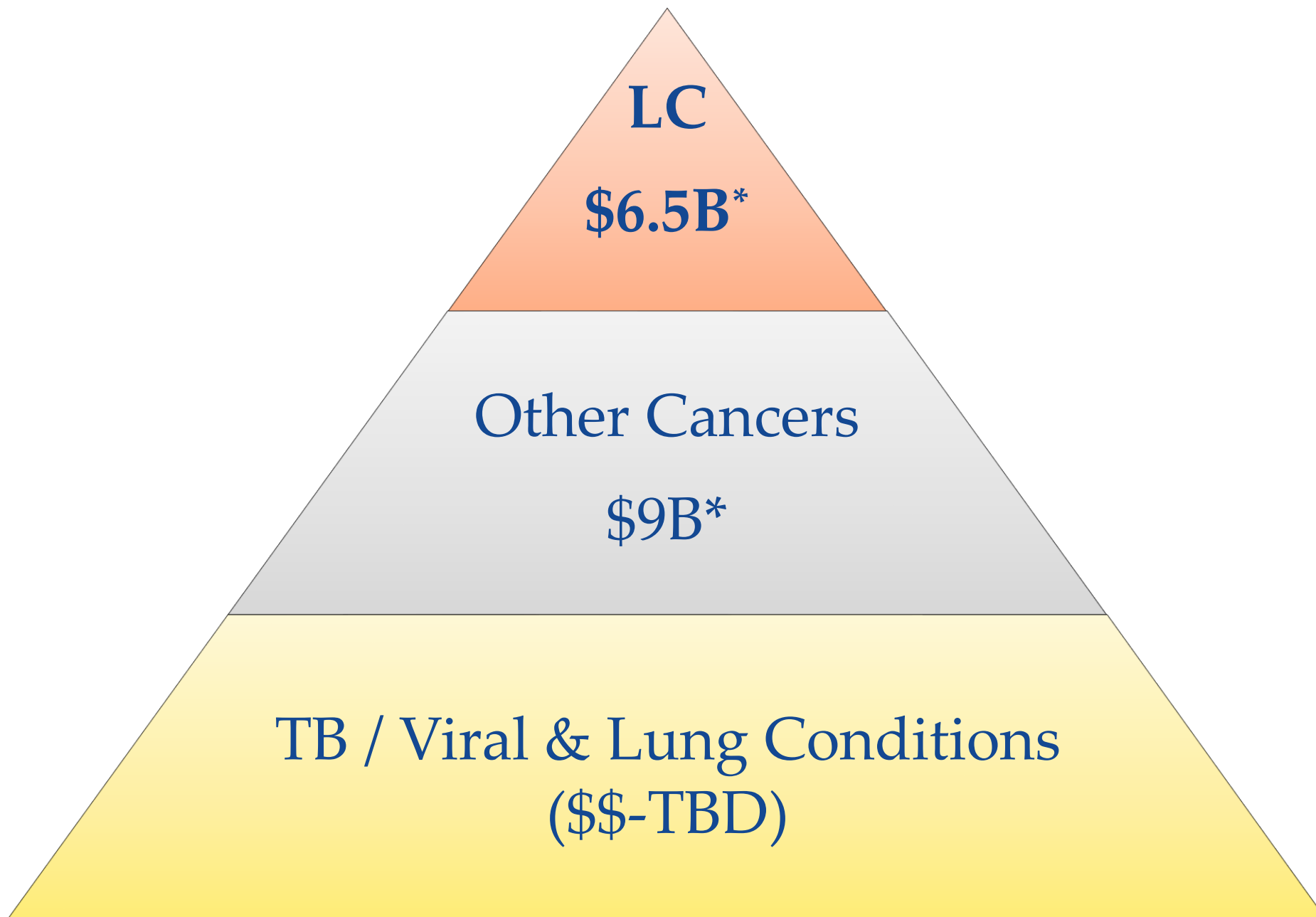
- Bill & Melinda Gates Foundation
- Coulter Foundation
- Jimmy V Foundation
- Grants - NSF, NIH, SBIR, *etc.*
- \$2MM in non-dilutive funding and ~\$1M in seed funds



Key Partnerships

- Mayo Clinic Laboratories
- Parexel / Health Advances
- PDI Works

Total Addressable Market (US)





Brian T. Ennis
President & CEO



Michael Bousamra II MD
Chairman, Founder



Phillip Douglas
Director



Jeffrey Rich MD
Director

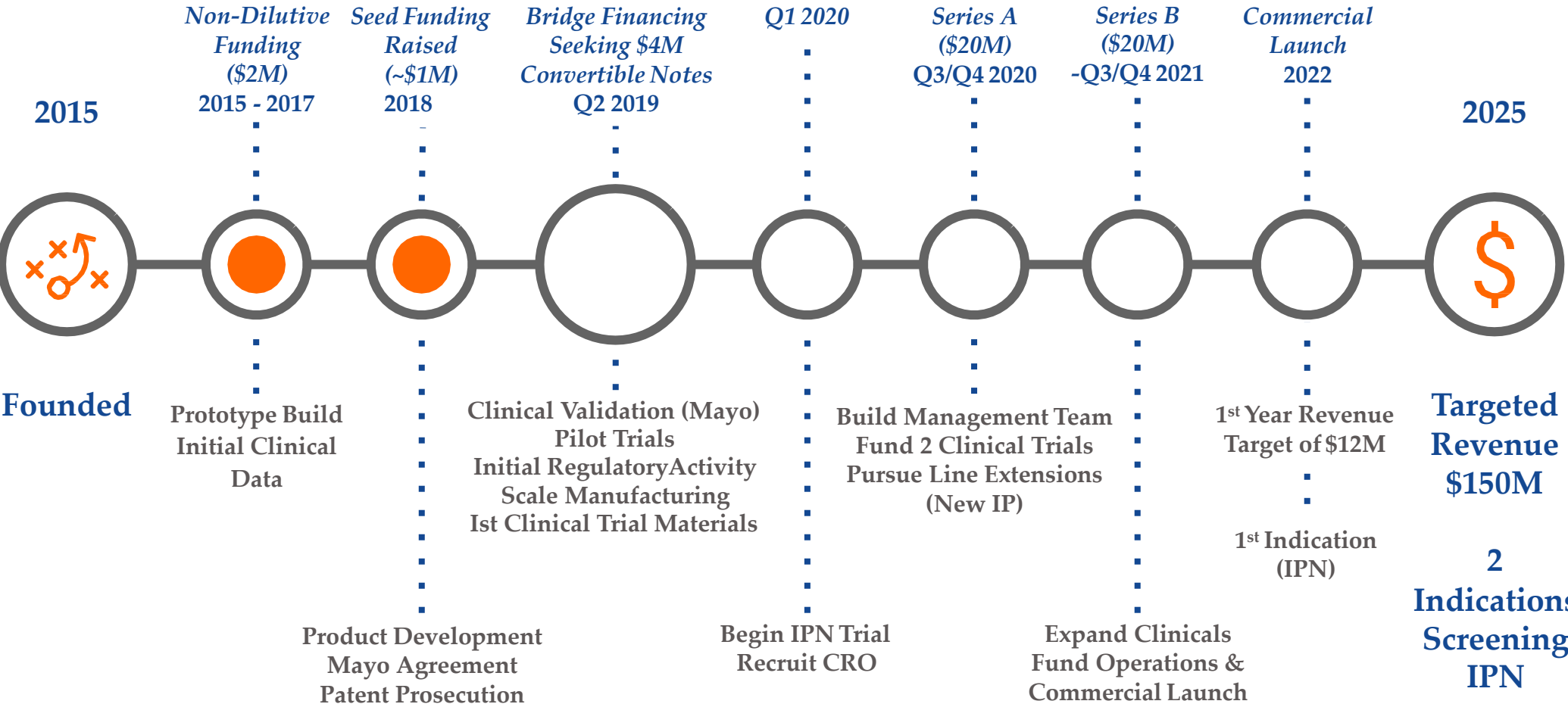


Victor van Berkel MD, PhD
Director, Founder



Xiao-An Fu PhD
Director, Founder

Timeline & Milestones



(in millions)

2025

Total Market

IPN Characterization (tests)

0.4

Screening At-Risk Population (tests)

10.0

Revenue

IPN Characterization (*market penetration*)

\$45.0 (25.0%)

Initial Screens (*market penetration*)

\$112.0 (2.5%)

Total Revenue

\$157.0

EBITDA

\$47.1

EBITDA Margin

30%

Estimated Market Value*

\$700-\$800

- **\$4M Convertible Preferred Notes**
 - **10% Coupon**
 - **Valuation the lower of \$6.3M or 20% below Series A Valuation**
 - **3 year Maturity**
 - **Scale Manufacturing**
 - **Complete Phase 1 / Mayo Collaboration**

- **\$20M Series A / 2020**
 - **Valuation TBD**
 - **Fund Clinical Trials**

- **\$20M Series B / 2022**
 - **Valuation TBD**
 - **Fund Commercial Launch**

- **Exact Sciences (Cologuard)**
Fecal Samples for Colorectal Cancer diagnosis
Current Market Cap ~\$12.5 Billion

- **Guardant Health (Liquid Biopsy)**
Blood Samples for detection of various late stage cancers
Current Market Cap – \$6.0 Billion

- **Accurate, Affordable, and Non-Invasive LC Diagnosis**
- **\$6.5 Billion Market – Lung Cancer / Expandable Platform**
- **10 Peer-Reviewed Journal Articles**
- **IP Protection in the US / Europe**
- **Key Strategic Partnerships**
- *Huge Valuation Upside*