

AI for the next generation of medical imaging provides “a Google Maps for surgeons”

“A Google Maps for surgeons” is how Perimeter Medical Imaging AI Inc. (TSXV: PINK) President and CFO Jeremy Sobotta described the AI software currently being developed by the company to complement its FDA-cleared medical imaging system at a recent investment conference.

Perimeter is a medical technology company working to transform cancer surgery by creating ultra-high-resolution, real-time, advanced imaging tools to address unmet medical needs. The imaging tools have already been developed and are approved in ophthalmology and cardiology (optical coherence tomography or OCT). Perimeter is using this imaging technology (OTIS or Optical Tissue Imaging Console) to assess the tissues surrounding the known cancerous target area to determine whether more tissue should be removed during the ongoing surgery.

The imaging technology has the ability to rapidly image large and complex surfaces. It is capable of imaging up to a 10×10 centimeter surface area at resolutions ten to 100 times that of traditional imaging systems (and also has a system that enables the orientation and imaging of any size, shape and/or density of specimen). Of note, the company’s device is commercial, is FDA-cleared and will be launched into the early adopter market later in 2020/early 2021.

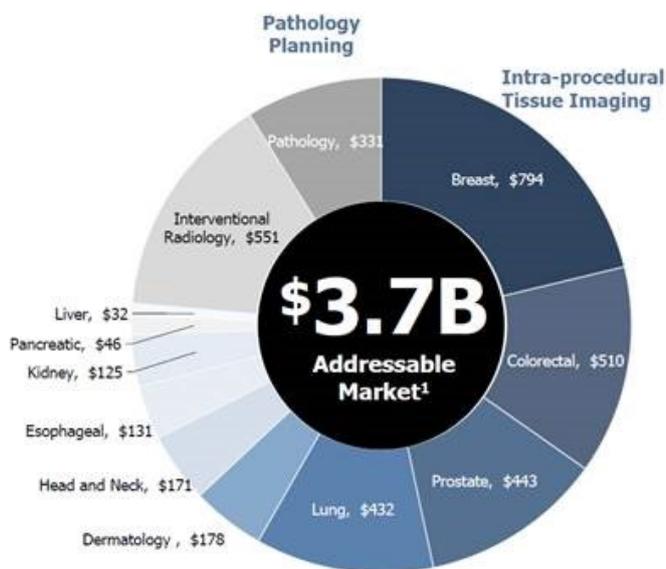
As previously announced, Perimeter Medical Imaging received a \$7.4 million Cancer Prevention and Research Institute of Texas (CPRIT) grant to further develop the ATLAS AI Project. The funding granted by CPRIT will support technology development that is currently underway with the first part being data

collection to further train and test the AI algorithm. Part two will be undertaken in early 2021 to confirm the safety and efficacy of the technology/process that aims to decrease the re-operation rates for breast cancer patients. Future deployment of the AI technology will be complementary to OTIS, once it has been FDA-approved.

As described in the September 16, 2020 online presentation, the company has engaged with world-renowned cancer centers in Canada, the US and Europe and has attracted an exceptional scientific advisory board. Members include medical professionals affiliated with the Harvard Medical School, the Mayo Clinic Cancer Centre, and the Ontario Cancer Institute in addition to others, which is an exceptional validation of this company's early-stage technology. Management is deeply experienced in the medical-technology industry, and the board of directors has a wealth of expertise in clinical experience, surgical workflows, and medical device commercialization.

The company went public at the end of June 2020 through a reverse takeover transaction and concurrent financing, and has access to approximately \$30 million of capital, so near-term development is well-funded as the company looks to sell up to half a billion dollars of installations into an undersupplied market.

Perimeter's technology is addressing an unmet need in a \$3.7 billion addressable market segment, according to the World Health Organization. It should be noted that this technology is not just restricted to breast cancer surgery, but is potentially applicable to a wide variety of other cancer and other treatments as shown below:



Addressable Market By Region

USA total addressable mkt: \$552 M

Biopsy: \$69 M
 Intra procedural: \$441 M
 Pathology: \$41 M

Europe total addressable mkt: \$1.0 B

Biopsy: \$132 M
 Intra procedural: \$839 M
 Pathology: \$79 M

ROW total addressable mkt: \$2.1 B

Biopsy: \$349 M
 Intra procedural: \$1.5 B
 Pathology: \$210 M

¹ WHO Projections for 2020.
 - Clinical Applications: Lung, Breast, Prostate, Colorectal, Liver, Head and Neck, Esophageal, Pancreatic, Dermatology and Kidney
 - Average cost per case for Intra-operative = \$500USD; Biopsy = \$50USD; Pathology= \$30USD
² Biopsy US Rates provided by MDXHealth.com

Source: Perimeter Medical Imaging AI

Finally, an estimated one in four women require repeat breast cancer surgery due to cancerous tissue remaining after the initial surgery. Perimeter’s use of existing technology and a machine learning/artificial intelligence combination is designed to significantly lessen this statistic. While it is too early to declare that this one technology is the “holy grail”, it does bring us one step closer to the statement that “cancer can be beaten”.