

Perimeter Medical Imaging AI is potentially disrupting post cancer surgery imaging with a goal to help save lives, costs, and time

Any technology that can help us beat cancer is most welcome. One company is developing a revolutionary way for surgeons to better assess if they have removed all the cancer, all while still in the operating room. This same company was recently recognized as one of the “10 most promising companies” at the Texas Life Science Forum.

The company is Perimeter Medical Imaging AI, Inc. (TSXV: PINK) ('Perimeter'). The AI in their name refers to the fact that they use Artificial Intelligence (AI) in addition to their imaging technology. A combination of imaging and AI helps surgeons identify if cancer is still present post-tumor removal surgery by examining the 'perimeter' of the excised area, hence the company name.

Perimeter's goal as a medical technology company is to transform cancer surgery with advanced, real-time, ultra-high-resolution imaging tools to address areas of high unmet medical need. Perimeter's OTIS™ platform is an FDA-cleared point-of-care imaging system that provides clinicians with real-time, ultra-high-resolution, sub-surface image volumes of the margin (1-2 mm below the surface) of an excised tissue specimen.

Perimeter's OTIS™ (Optical Tissue Imaging System) is FDA cleared point-of-care imaging system for use in real time clinical procedures



1. OTIS Optical Tissue Imaging Console

- Ultra-high resolution sub surface imaging in real time
- Automated capture
- Inter-disciplinary use
- Non-destructive to tissue
- Non-toxic (no injectable agents)
- Fits into current clinical workflow



Source

Cancer left behind after surgery is a significant problem

As we all know cancer surgery does not always get all the cancer. For example, breast lumpectomy surgeries currently face 25% re-operation rates. This is not ideal for the patient and it is not ideal for the health care system. Re-operating costs are, on average, \$16,000 to cover the additional hospital cost per patient, which when added up, amounts to an additional \$560 million annual cost to the U.S. healthcare system.

The best solution for all parties is to be able to do point-of-care real time imaging using Perimeter's Optical Tissue Imaging System (OTIS) taking only 10 minutes to do. By contrast the current standard way is to send off a post-

operative histology tissue sample for assessment, which takes 2 to 7 days. Now that's a potential disruption right there.

Perimeter's commercialization strategy

Perimeter currently uses their OTIS device in limited markets but have plans to expand, with an initial focus in the US on post surgery breast cancer imaging. According to Perimeter (and WHO projections) the total addressable market across all areas for Perimeter is US\$3.7 billion.

U.S. Commercial Market Entry

Commercialization Strategy

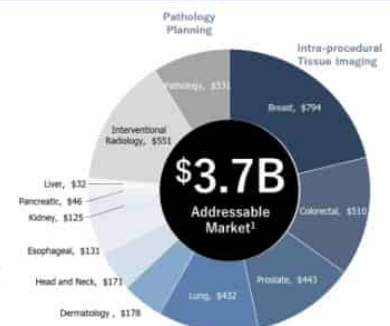
- **Build a body of clinical evidence to support commercial launch**
 - Initiated 20 patient Action Study
 - Clinical development of ImgAssist AI (ATLAS AI Project) under CPRIT grant
 - **Currently underway: 400 patient study** at leading cancer centers to collect images of breast tumors in order to train AI
 - **Next steps: Randomized, multi-site pivotal study** in ~600 patients to test AI against current standard of care / assess the impact on re-operation rates for patients undergoing breast conservation surgery
- **Direct clinical sales efforts**
 - Market development activities (Q4:20)
 - Limited market release (Q1:21)
 - Broader commercial launch (Q2:21)

Marketing Strategy

- **Target innovators and early adopters**
 - Ultrasound heavy surgeons
 - Oncoplastic surgeons
 - Regular cavity shave surgeons/frozen section

Potential Markets

- While outside the scope of Perimeter's current investment plan, OTIS™ has applications beyond breast cancer...



Source

To get a feel for the initial 'revenue potential' just from targeting US breast cancer lumpectomy cases only, Perimeter prepared the slide below. It shows based on a mid case scenario of 500 hospitals doing 3 imaging procedures per week at \$750 each, perimeter's potential revenue could reach \$56.3 million pa of recurring revenue. This is just theoretical at this stage, but shows the potential revenues from just one type of post cancer surgery (post breast cancer lumpectomy). In time Perimeter would aim to expand to many types of cancer post surgery imaging.

Perimeter's 'target potential' revenue only from breast lumpectomy post-surgery imaging

Installed Base	100 Hospitals	250 Hospitals	500 Hospitals	1,000 Hospitals
<i>3 Procedures Per Week</i>	3	3	3	3
<i>50 Weeks</i>	50	50	50	50
Annual Number of Procedures	15,000	37,500	75,000	150,000
<i>\$750 Per Consumable (ASP)</i>	\$750	\$750	\$750	\$750
Annualized Recurring Revenue from Installed Base (\$M)	\$11.3	\$28.1	\$56.3	\$112.5

Source

Perimeter's Q3 2020 financial results were reported here.

Closing remarks

Perimeter Medical Imaging AI is potentially disrupting post cancer surgery imaging with a goal to help save lives, costs, and time. Perimeter's OTIS™ is already FDA cleared; however there is still some further next stage product development ongoing in the area of training the computer (AI training), as well as further studies. Perimeter is targeting a limited market release in Q1 2021 and a broader commercial launch in Q2 2021.

Perimeter's board and management team are extremely experienced and highly credentialed. The company is rapidly gaining recognition and now has a market cap of C\$87 million after only listing on the TSX-V in mid 2020. It is certainly looking like 2021 will be a breakthrough year for Perimeter Medical Imaging AI. Stay tuned.

Disclosure: The author is long Perimeter Medical Imaging AI, Inc. (TSXV: PINK)

InvestorIntel Announces Partnership with InvestorChannel for Daily Distribution of Data Driven Market Watchlists

Leading investor source, market sector leaders and market experts unite to provide investors with daily market updates via social media outlets

Toronto, August 13, 2020 – **InvestorIntel.com**, a leading online source of investor information, is pleased to announce its partnership with **InvestorChannel.com**, a daily data-driven market sector update system that is all video.

“Every time the headlines discuss Chinese-US tensions, investors call me and ask me to send them a list of rare earths’ companies trading in the public markets,” said Tracy Weslosky, founder of **InvestorIntel.com** and co-founder of **InvestorChannel.com**. “For example, **gold breaks \$2,000**, or a new Esports CEO does a riveting interview on the increasing audience and revenue for online gaming, and my email inbox fills with the same questions from investors. So, I called Moovly Media Inc. (TSXV: MVY) CEO and co-Founder Brendon Grunewald in Brussels and said – *help me*. Help me figure out a way to tweet out a compliant-friendly update on the sectors that are fun to watch and helps me share the list of the

sector-leading public companies we at InvestorIntel follow and get an idea of how they are really doing.”

InvestorChannel.com provides both novice and professional investors with timely information to shape their decision-making. “After all,” she continued, “the conventional investor media told me every single day that I couldn’t lose if I bought cannabis or crypto stocks last year, but if I had a tool that actually compared how 20 or so companies were actually faring – I could get a real handle on what’s really happening, instead of having to rely on what people are telling me is going on.”

Moovly Media CEO Brendon Grunewald has a vision for **InvestorChannel.com**: “I thought we would take things up a notch by using the market leading video automation technology of Moovly Media and combining it with intelligently designed software to grab data from a range of both proprietary and publicly available data sources. We can use that to produce interesting market updates, such as the top gainers on an exchange for the day or best performing companies in a specific sector. **The result is a platform that is designed to produce an ever-growing amount of insightful content in the most effective online communication medium, Video.**”

In addition to a US, CDN, UK and Hong Kong Markets update watchlist, there are also a dozen sponsored watchlists that run daily on InvestorChannel:

- Cancer Surgery Technologies Watchlist – sponsor, Perimeter Medical Imaging AI, Inc. (TSXV: PINK)
- Cobalt Watchlist – sponsor, CBLT Inc. (TSXV: CBLT)
- Disinfection Watchlist – sponsor, NuProtection Ltd.
- Esports Watchlist – sponsor, Versus Systems Inc. (CSE: VSE | OTCQB: VRSSF)
- Gold Watchlist – sponsor, Quebec Precious Metals Corp. (TSXV: CJC | OTCBB: CJCGG)
- Media Watchlist – sponsor, Moovly Media Inc. (TSXV: MVY)

- Palladium Watchlist – sponsor, Canadian Palladium Resources Inc. (CSE: BULL | OTCQB: DCNNF)
- Psychedelics Watchlist – sponsor, Red Light Holland Corp. (CSE: TRIP)
- Rare Earths Watchlist – sponsor, Energy Fuels Inc. (NYSE American: UUUU | TSX: EFR)
- Silver Watchlist – sponsor, David Morgan and The Morgan Report
- Uranium Watchlist – sponsor, Fission Uranium Corp. (TSX: FCU | OTCQX: FCUUF)
- Vaccination Watchlist – brought to you by InvestorChannel

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For more information on either InvestorIntel or InvestorChannel, email Tracy Weslosky at tracy@investorchannel.com or contact us direct at +1 416 792 8228.

Perimeter Medical Imaging AI lists on the TSXV and offers surgeons real-time imaging to visualize the margins of cancer excised tissue

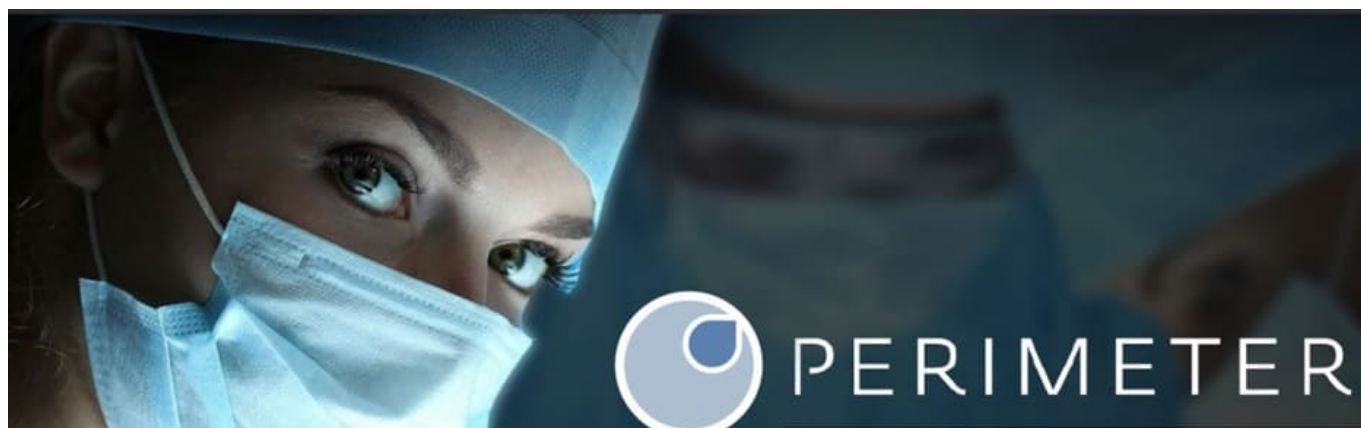
One of the biggest problems today in cancer treatments is determining during surgery if the operation has caught all of the cancer. Now a company has a solution. This is incredible news for cancer patients and health care providers. In 2020 roughly 1.8 million people will be diagnosed with cancer in the United States. This new technology is initially focused on breast cancer and during lumpectomy surgery, because approximately 1 in 4 patients return for a second surgery due to cancerous tissues being left behind. 2,000,000 women worldwide were diagnosed with breast cancer in 2018 and 317,000 in the USA in 2019.

This Company has a high definition and developing Artificial Intelligence (AI) imaging technology that can help surgeons identify if cancer is still present post-tumor removal surgery by examining the perimeter of the excised area.

The Company is aptly named Perimeter Medical Imaging AI Inc. (TSXV: PINK) ("Perimeter") and the Company has only just listed this week on the TSX-V exchange. The stock ticker symbol, PINK, alludes to the pink ribbons used during breast cancer awareness month by the Canadian Cancer Society and the American Cancer Society, driving home the Company's dedication to helping surgeons, radiologists and pathologists use

Perimeter's imaging technology and AI in the fight against breast cancer, which is estimated to account for 30% of all female cancer diagnoses this year. The raised capital from the public listing will be used for accelerating the commercialization process as well as refining the AI.

Perimeter Medical Imaging AI Inc. uses high definition imaging and AI in the fight to detect cancer at the perimeter



Winning race to develop AI search engine for cancerous tissue



Breast Cancer is a \$30B worldwide problem



FDA cleared with expected launch in 2020



4 issued and 9 pending patent matters/FTO



Consumables enable compelling recurring revenues @ 90% margins

Source

Dr. Anthony Holler, the Chairman of Perimeter's Board of Directors states:

"Perimeter's platform imaging technology allows surgeons in real time to visualize the margins of excised tissue specimens at the time of surgery. With the combination of our high resolution imaging device and proprietary AI technology that is currently under development, the intention is to reduce the necessity of repeat surgeries. Our mission is to improve cancer patient care and reduce healthcare costs."

As a sign of confidence in Perimeter's technology on April 24 it was announced that Perimeter Medical Imaging received a \$7.44 million Cancer Prevention and Research Institute of Texas (CPRIT) grant to further develop ImgAssist AI Technology at leading cancer centers in Texas. The funding granted by the CPRIT will support technology development that aims to decrease the re-operation rates for breast cancer patients.

Perimeter's AI imaging technology is known as OTIS™ (Optical Tissue Imaging Console), a US FDA 510(k) cleared product. It is designed to provide real-time information during breast cancer surgery. The platform's ability to deliver ultra-high resolution and sub-surface image volumes across the surface of the removed tissue allows surgeons to assess if they have achieved the successful removal of the entire tumor. Should a surgeon identify cancerous cells at the surface of the tissue, they can immediately remove additional tissue from the patient. **The OTIS™ technology could lower the financial burden to the healthcare system and become a significant win for patients**, taking away the additional physical and mental trauma caused by the necessity to repeat the surgery.

Perimeter already has strong industry support as shown by these two quotes:

Dr. Alastair Thompson, an internationally recognized Surgical Oncologist stated: "We need to work smarter to reduce the reoperation rates for breast conservation surgery. Using OTIS™ to scan the surface of the lumpectomy during surgery could be the key to ensuring complete surgery the first time around."

Dr. Savitri Krishnamurthy, another principal investigator with over two decades of experience in Pathology, stated: "The new era of tissue imaging using optical imaging platforms such as the OTIS™ will bring revolutionary changes to breast surgery and breast pathology practice."

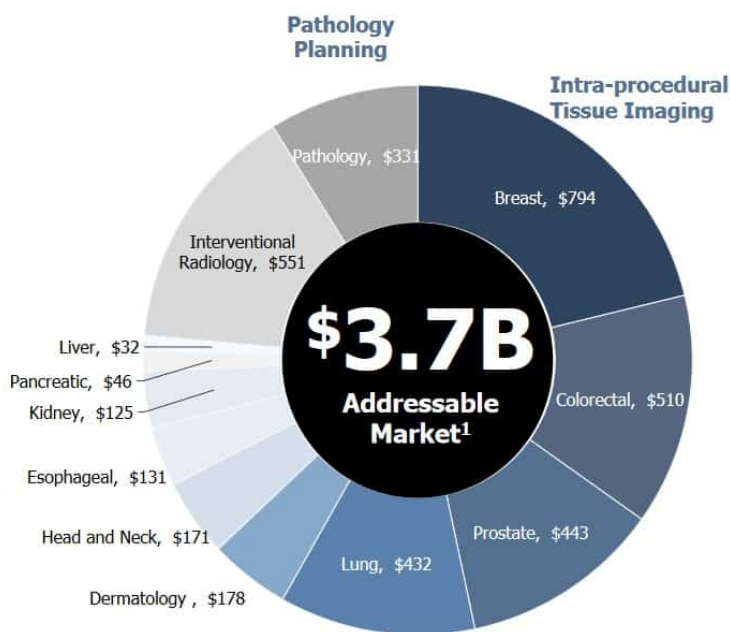
Perimeter's technology is initially focused on breast cancer.

Breast cancer is a \$30 billion worldwide problem, where approximately 25% of surgeries must be done again as bits of cancer are often left behind. Perimeter's technology could save over \$800 per patient and \$16,000 per repeat surgery.

Beyond that there is a massive global market for breast and other cancers, especially when surgical removal is the treatment of choice. This means the potential market is enormous.

Perimeter's technology has a \$3.7 billion global addressable market

While beyond the scope of Perimeter's current investment plan, OTIS has applications beyond breast cancer



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 Corporate Overview Q2 2020

Perimeter's business model involves a combination of capital equipment, consumable, and service contract revenues. Other similar med-tech companies typically trade on 3-9x revenue, so it will be interesting to see how Perimeter goes in the next year given they are now commercializing the technology. Following the recent capital raises the Company has ~\$33 million to help commercialize the business, which the Company

believes should be more than sufficient for the Company to become cash flow positive.

The Perimeter Board and Management are highly specialized and experienced. For example Chairman Anthony Holler MD has founded or been CEO of companies that were acquired for a total of \$2.5 billion. CEO Tom Boon has >30 years experience in medical imaging. CFO Jeremy Sobotta played roles of increasing seniority in deploying about \$4 billion in capital in M&A from the acquirer side during his pre-Perimeter career at Stryker (NYSE: SYK – US\$69 billion market cap) and Smith & Nephew (NYSE: SNN – US\$17 billion market cap).

Perimeter Medical Imaging AI Inc. is run by a highly specialized and experienced team

Leadership



Tom Boon
CEO

- >30 years experience in medical imaging
- President of Summit Industries, 30,000 medical imaging installations
- Ran TSX listed medical imaging company, 2000 installations



Anthony Holler, MD
Chairman

- Emergency Medicine trained physician
- Companies he was either Founder/CEO or Chairman acquired for a total of \$2.5 Billion



Jeremy Sobotta
CFO

- Led finance for Stryker's surgical business unit specializing in operating room equipment and women's health
- Expertise in commercial excellence and GPO/payer/provider contracting
- Experience launching and shifting several go-to-market models across North America, Europe, and Africa



Source

Closing remarks

Investors have a chance to invest very early and with a low market cap into Perimeter Medical Imaging AI Inc. due to the stock only listing yesterday. Perimeter suggest (page 19) that they have a first mover advantage and better technology than

their competitors. Certainly the very significant support from the Cancer Prevention and Research Institute of Texas tends to confirm this. The niche application of perimeter imaging and AI is a ground breaking technology with a huge addressable market. The technology is also a win-win for both surgeons and patients as it lowers costs and potentially reduces repeat surgery. Management is highly experienced with an excellent past track record. Investors should be sure to check out Perimeter Medical Imaging as the potential upside looks to be very significant if the Company continues to progress well.