

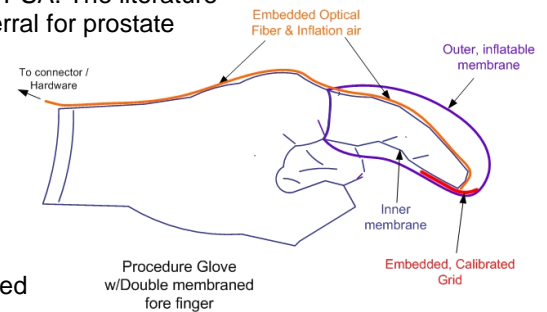


**About MedicaMetrix.** MedicaMetrix, Inc., a Delaware company, produces urological medical devices with demonstrated “comparative effectiveness”, i.e. reduce the cost of healthcare, while improving clinical outcomes.

**The Problem.** PSA is the principal marker for prostate cancer screening, and beginning at age 50, the PSA test is used to screen males for prostate cancer. Men with PSA >4 ng/ml are referred for prostate biopsy. Approximately 75% of prostate biopsies (approximately \$1,360/biopsy) are negative, i.e. patients do not have prostate cancer. With approximately 1.1M prostate biopsies performed annually, an estimated \$1.1B is spent in the U.S. annually on prostate biopsies with negative results. Why does this happen? As men age, the prostate enlarges, increasing the amount of PSA that leaks into the blood stream. Thus, an elevated PSA may be due only to BPE – an enlarged prostate – and not to prostate cancer.

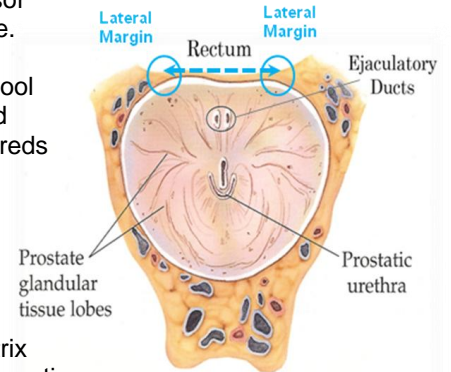
**The Solution – Measure Prostate Volume and Calculate PSAD to Identify Patients Appropriate for Prostate Biopsy.**

Rather than using PSA, a better marker for prostate cancer is *PSA Density* (PSAD) – the relationship of serum PSA to prostate volume (ng/ml/cc). PSAD essentially factors out the effect of an enlarged prostate on PSA. The literature indicates that if PSAD is used, with a cutoff in the range of 0.11-0.18 ng/ml/cc for referral for prostate biopsy, 33%-50% of biopsies could be eliminated, while capturing all prostate cancers detected under prevailing diagnostic methods. However, PSAD is not used as the marker because the available means of measuring prostate volume, Transrectal Ultrasound (TRUS), is cost ineffective at \$225-\$300/procedure. ProstaGlove™, with a cost of \$30, enables low cost determination of prostate volume and PSAD, which will eliminate hundreds of thousands of biopsies and save hundreds of millions of dollars annually in the cost of diagnosing prostate cancer.



**The Product - ProstaGlove™.** ProstaGlove™ is similar to a standard exam glove used during a Digital Rectal Exam (DRE), but has a double membrane digit with fiber optic sensors and a calibrated grid that enables a physician to measure the palpable surface of the prostate through the rectal wall (referred to as the “Lateral Margin Measure”). The Lateral Margin Measure is then used, via proprietary algorithm, to determine prostate volume, and from that to calculate PSAD. The glove is a single use, disposable and connects to a durable hardware device which records the Lateral Margin Measure and supports operation of the glove (sensor circuitry, display, etc.) The anticipated production cost of the disposable glove is \$2.75/glove.

In addition to its diagnostic benefits, new research being conducted at Harvard Medical School suggests that PSAD may be used to distinguish between slow growing (90%) and advanced (10%) prostate cancers. If this preliminary finding is validated, ProstaGlove™ will save hundreds of millions more by focusing treatment on advanced prostate cancers.



**Comparative Effectiveness – Driving Fast Product Adoption –** Insurers/governments will pay for ProstaGlove™ because it has high comparative effectiveness. MedicaMetrix estimates that ProstaGlove™ will produce net savings in prostate cancer diagnosis (after ProstaGlove™ sales) of more than \$200M US and \$650M globally, while capturing substantially all prostate cancers identified under prevailing diagnostic methods. MedicaMetrix estimates that the ProstaGlove™ global market size exceeds \$300M. ProstaGlove™’s comparative effectiveness provides considerable pricing leverage and sets a very high bar to competition.

**Intellectual Property –** MedicaMetrix was granted US Patent, No. 7,309,319, “Apparatus and Method for Measuring the Dimensions of the Palpable Surface of the Prostate”, issued 12/18/2007. A CIP application was submitted Nov. 19, 2007 to broaden claims. An EU Patent, EP 1727462, was granted on April 8, 2009 and has been validated in the five largest EU countries. The Company has a strong freedom to operate opinion. MedicaMetrix anticipates that additional intellectual property will be eligible for patent protection after completion of clinic trials.

**Management Team –** MedicaMetrix has an experienced management team. MedicaMetrix will supplement the management team through recruitment of a Chief Medical Officer and Advisory Board Members with a focus on clinical and research urology, insurance company relationships, and sales & distribution partnerships.

**Christopher LaFarge, CEO,** founded IIC which developed *Micro-Rig*, an autonomous robot for oil & gas wells which was sold to Halliburton. Christopher is a graduate of Harvard College and Yale School of Management.

**Richard Trembowicz, President,** is an attorney who specializes in healthcare reimbursement systems, comparative effectiveness analysis, and early stage company funding and development. He founded EdTech Networks, Inc., a venture

backed company, and was VP Business Development and General Counsel of AMD Telemedicine, Inc., an early-stage medical device company. Richard is a graduate of Harvard College and BU School of Law.

**Ute Schwiderski, Ph.D, VP-Clinical Research, Development & Biostatistics**, formerly served as VP, Biostatistics and Data Management at Indevus Pharmaceuticals and held multiple positions at Bristol Myers Squibb. Ute received her Ph.D in Biostatistics from Medical College of Virginia.

**Robert Horne, Director**, has served as VP, Vertical Market Solutions, Nortel Networks, and has held executive positions at medical device companies, Accuray, Inc. and Given Imaging, Inc. (GIVN). Robert obtained his masters degree in Chemical Engineering from Cambridge University, England and his MBA from Harvard Business School.

**Robert Fanning, Director**, was formerly the CEO of Northeast Health Systems (Beverly Hospital) and serves as a Director/Advisor on a number of early stage healthcare companies.

**Company Status and Funding Requirement.** MedicaMetrix plans development in 3 well-defined phases:

- **Phase 1 - FDA 1 Measurement** – The first clinical trial will demonstrate accuracy and repeatability to capture the Lateral Margin Measure. MedicaMetrix has a working prototype, developed its clinical trial strategy, prepared the protocol for the FDA 1 Trial, and has secured investigative sites. MedicaMetrix has also received a grant from M2D2/John Adams Innovation Institute in the amount of \$66,950 to support, in part, product development and the FDA 1 Trial. MedicaMetrix is raising \$750,000 to support Phase 1 development, anticipated to be completed on or about December 31, 2011, with FDA clearance of ProstaGlove™ to record the Lateral Margin Measure.
- **Phase 2 – FDA 2 - Algorithm** – After FDA 1 clearance, MedicaMetrix will conduct a second study which will validate the conversion algorithm and comparative effectiveness relative to prevailing diagnostic methods (ultimately supporting application with CMS for ProstaGlove™ reimbursement codes). During Phase 2, the company will complete product refinements, and secure FDA clearance for use of ProstaGlove™ and the algorithm to measure prostate volume. The Company will also secure sales/distribution partnerships. MedicaMetrix anticipates a Phase 2 funding requirement of \$1.75M for the period from October 1, 2011 – December 31, 2012.
- **Phase 3 – Commercialization of ProstaGlove™** – MedicaMetrix will commence scalable product manufacturing and, while awaiting reimbursement code issuance, will conduct sales initially to health systems/medical groups, the VA, and staff/group model HMOs, which have a high percentage of Global Payments or direct financial responsibility for medical costs (these parties can realize immediate financial benefits of ProstaGlove™ before the issuance of reimbursement codes). MedicaMetrix will conduct additional studies to extend use of ProstaGlove to treat other bladder/urinary tract disorders. MedicaMetrix has a Phase 3 funding requirement of \$3.0M, anticipated to commence on approximately October 1, 2012.

**Operations and Strategic Partnerships.** MedicaMetrix plans to conduct manufacturing on an outsourced basis, retaining the quality control and product development functions. The company has an engineering and manufacturing support arrangement with American Biosurgical, Inc., and has entered into a Letter of Intent with Vystar Corporation, to incorporate its natural rubber latex (NRL) product, Vytex into ProstaGlove™, with Vystar providing gloves for the company's clinical trials. The company will seek sales and distribution partnerships to conduct sales of ProstaGlove™.

**Financial Pro Formas.** The following summarizes the estimated financial performance of MedicaMetrix (Prostate cancer diagnosis only).

#### MedicaMetrix, Inc., Pro Forma Projections

	2010/1	2012	2013	2014	2015
Revenue	\$66,950	\$0	\$2,451,094	\$14,837,344	\$44,099,438
COGS	\$7,120	\$0	\$588,938	\$2,753,156	\$7,910,156
Net Revenue	\$59,830	\$0	\$1,862,156	\$12,084,188	\$36,189,281
Expenses	\$985,821	\$2,000,957	\$4,367,532	\$6,412,990	\$7,680,833
Operating Income	(\$925,991)	(\$2,000,957)	(\$2,505,375)	\$5,671,197	\$28,508,448
Earnings After Tax	(\$925,991)	(\$2,000,957)	(\$2,505,375)	\$5,599,535	\$19,955,914

**Conclusion.** MedicaMetrix will serve a more than \$300M market, with a patented product having high comparative effectiveness relative to other diagnostic options. Government payers and insurers, recognizing an opportunity to generate substantial savings while maintaining clinical outcomes, will be motivated to mandate ProstaGlove™ as part of the clinical protocol for diagnosis of prostate cancer. This gives MedicaMetrix a highly visible path to fast product adoption and revenue generation, with significant pricing leverage that creates a high barrier to competitor entry.