Positron

THE FUTURE OF CARDIAC PET

Q1 | 2014
Positron Corporation is a nuclear medicine healthcare company specializing in the business of cardiac PET. We are the first and only company developing a vertically integrated supply chain solution; combining PET imaging technology, radiopharmaceuticals, and radioisotopes to offer cardiologists the most comprehensive solution in nuclear cardiology. Our products and services enable healthcare providers to more accurately diagnose cardiac disease and improve patient outcomes, while practicing cost effective medicine.

Positron has focused exclusively on supporting the cardiac PET field for more than 30 years and is now facilitating the stabilization, security and growth of the industry. We are here to champion this modality by making it more accessible to providers and patients everywhere.
Mission

To facilitate the stabilization, security and growth of the cardiac PET industry by providing cardiologists with: an economical, high-quality, PET imaging system; a reliable supply of radiopharmaceuticals for imaging procedures, and a comprehensive clinical, technical, support and service program.

Positron’s approach in securing the supply chain will facilitate the adoption of cardiac PET and the growth of nuclear cardiology.

Positron is the future of cardiac PET.
Development of Integrated Solution

POSITRON HAS ESTABLISHED POSITIONS IN EACH OF THESE KEY SEGMENTS

STEP 1
IMAGING TECHNOLOGY
- ATTRIUS PET SYSTEM
  • Only dedicated PET imaging system on the market.
  • PosiStar: clinical & technical support

STEP 2
RADIOPHARMACEUTICALS
- MANUFACTURING, DISTRIBUTION & GENERATORS
  • Proprietary Rb-82 generator through strategic licensing agreement
  • Ability to produce radiopharmaceuticals
  • PosiRx; a virtual pharmacy

STEP 3
RADIOISOTOPES
- PROCESSING & PRODUCTION
  • Sr-82 processing from foreign & domestic suppliers
  • Proprietary 70 MeV cyclotron for the production of Sr-82 & other isotopes
  • Generator life cycle management

STEP 4
FINANCE
- FINANCIAL SERVICES
  • Minimize cost to entry
  • Offer an end-to-end solution; accelerating adoption of cardiac PET
  • Innovative financing programs
Positron’s Cardiac PET Strategy

VERTICAL INTEGRATION OF KEY SEGMENTS:

Sr-82 PRODUCTION
Sr-82 PROCESSING & RECYCLING
Rb-82 GENERATOR & LIFE CYCLE MANAGEMENT
ATTRIUS PET SYSTEM
CLINICAL & FINANCIAL SERVICES

POSITRON’S END-TO-END SOLUTION APPROACH
Cardiac PET Supply Chain

**EXISTING SUPPLY CHAIN**
- ISOTOPE PRODUCTION
  - U.S. Department of Energy
- ISOTOPE PROCESSING
  - Target isotope processing by DOE
- DMF
- GENERATOR
  - Bracco Diagnostics; only supplier
- IMAGING SYSTEM
  - Positron’s Attrius, only dedicated PET system on market

**POSITRON’S SUPPLY CHAIN**
- ISOTOPE PRODUCTION
  - 3rd party irradiators & Positron’s 70 MeV cyclotron
- ISOTOPE PROCESSING
  - Positron’s isotope processing & recycling
- DMF
- GENERATOR
  - Positron licenses new generator entering market
- IMAGING SYSTEM
  - Positron’s Attrius, only dedicated PET system on market
Industry Overview

• Two dominant diagnostic modalities: SPECT (dated technology) and PET (advanced technology). The current U.S. market for cardiac SPECT radiopharmaceuticals is $600-620 Million, cardiac PET is expected to grow from $70 Million to over $200 Million by 2015.

• Cardiac PET equipment market is expected to grow from $26 Million to $47 Million by 2015 or 20% every year.

• Cardiovascular disease (CVD) is the leading cause of death in the U.S. Direct CVD costs are projected to increase from $316 Billion in 2011 to $818 Billion by 2030.

• U.S. Market for all SPECT and PET radiopharmaceuticals reached $1.2 Billion in 2010 and is expected to reach $6 Billion by 2018.

• PET is expected to grow from 34% of the imaging market in 2010 ($392 Million) to 72% ($4.31 Billion) in 2018.
Why PET Now?

PARADIGM SHIFT TO BETTER MEDICINE
• PET relative to SPECT has a significantly higher rate of specificity and sensitivity resulting in decreased attenuation artifacts and inconclusive studies. PET provides a more accurate diagnosis for patients, potentially reducing unnecessary downstream procedures.

REIMBURSEMENT
• Myocardial perfusion imaging, utilizing Rb-82, is approved as a first line test in symptomatic patients.

LOWER RADIATION EXPOSURE
• PET only imaging, utilizing Rb-82, is a highly accurate test with a lower radiation burden to the patient compared to competing technologies.

QUANTITATIVE IMAGING
• The implementation of Coronary Flow Reserve (CFR) software is a clear differentiator to PET from SPECT allowing for more cost effective and patient outcome driven revascularization decision making.
Core Products

ATTRIUS®
• Positron’s Attrius PET scanner is the only new dedicated PET system on the market. The Attrius is optimized for myocardial perfusion imaging.

RADIOISOTOPES
• Positron brings decades of practical experience in the manufacturing and production of radioisotopes. Positron currently produces API grade Sr-82, under its FDA Drug Master File, from both foreign and domestic irradiators. Positron provides full-service generator manufacturing and life cycle management including refurbishment & recycling of spent generators, as well as general radioisotope recovery.

POSIRX®
• This system automates the elution, preparation, and dispensing processes for radiopharmaceutical agents used to diagnose cancer and cardiac disease.
Competitive Advantages

• Attrius—only dedicated PET system in the world; proprietary software technology that will offer Coronary Flow Reserve (CFR) & low dose protocols.

• Sr-82 Capabilities—Positron possesses the only commercial resource in the world with practical knowledge and experience in all stages of Sr-82 production, processing and spent generator lifecycle management.

• 70 MeV Cyclotron—largest commercial high energy cyclotron in the world; this 70 MeV cyclotron center will become the workhorse of radioisotope production in North America providing an indigenous radioisotope supply solution to not only cardiac PET but many other radiopharmaceuticals.

• PosiRx—only automated radiopharmaceutical system on the market. A virtual radiopharmacy with USP-797 classification.

• Positron is the only company in the world with all critical components to vertically integrate the fragmented sole source “supplier environment” that exists in the nuclear cardiology market today.

• Positron playing the largest role in the future and sustainability of the industry.
Positron Highlights

- Positron was assigned its Drug Master File (DMF) from the FDA for its strontium-82 drug substance.
- Positron is processing Sr-82 from 3rd party irradiators and is capable of supplying API grade Sr-82 to generator manufactures.
- Positron is securing supply agreements with all available strontium-82 suppliers.
- Jubilant DraxImage and Positron has executed a Memorandum of Understanding for the strategic collaboration of sourcing and supply of strontium-82 and rubidium-82 generators.
- The University of Texas Health Science Center at Houston (UTHealth) has received FDA approval for their Coronary Flow Reserve (CFR) quantification software, to be used with Positron’s Attrius PET scanner.
History and Projected Milestones

- **1983**: Positron Corporation formed
- **2005**: New management team
  - Neusoft Medical Systems & Positron form JV to develop dedicated PET system
- **2006**: Acquired SPECT camera technology company, Pulse®
- **2008**: Acquired radiopharmaceutical technology company, PosiRx®
- **2009**: Received Frost & Sullivan Award for New Product Innovation with Attrius PET scanner
- **2010**: Installed PosiRx Automated Radiopharmaceutical System
  - Launch 70 MeV cyclotron project
- **2011**: FDA approval of Attrius® PET System
  - Validating global Sr-82 suppliers
  - Achieved Status as Qualified API Supplier for JDI
  - Entered into Sr-82 Supply Agreement with iThemba LABS
  - Received IP agreement or Rb-82 Metal processing from INR
- **2012**: Acquisition of Manhattan Isotope Technology, LLC
  - Entered Sr-82 market through processing & recycling
  - Executed MOU with JDI for a strategic collaboration in sourcing and supply of Sr-82/Rb-82 generators
  - Assigned Drug Master File (DMF) from FDA
  - UTHealth receives FDA 510K approval of CFR software
  - Posts first commercial sale and shipment of API grade Strontium-82
- **2013**: Cyclotron project receives TIF & NMTC pledge from Gary, IN
  - MIT Awarded Federal Laboratory Consortium "Excellence in Technology Transfer"
- **2014**: Projected availability of DraxImage Rb-82 generator
  - Plan to break ground on 70 MeV cyclotron project
- **2017**: Projected completion of 70 MeV project
  - Proprietary Sr-82 production
  - Submitted IP for process improvement
  - Received Frost & Sullivan Award for New Product Innovation with Attrius PET scanner

Additional note: The timeline includes milestones such as the acquisition of radiopharmaceutical technology companies and the development of new products, along with regulatory approvals and strategic collaborations.
Positron as an Investment

• Strong growth & industry adoption from SPECT to PET driven by paradigm shift in treatment and increased reimbursement for cardiac PET.
• Positron is redefining the cardiac PET industry by developing the only comprehensive, integrated, end-to-end solution for customers.
• Expanding vertically into production and/or distribution of high margin radiopharmaceuticals & radioisotopes will significantly add to the bottom line.
• Positron is the only company with the ability to process & handle Sr-82; enabling suppliers to produce additional supply.
• Currently stabilizing and expanding the radioisotope supply chain is key to the growth of cardiac PET.
• Positron will secure the future of cardiac PET with the proprietary supply of strontium through exclusive 3rd party relationships and the proposed 70 MeV cyclotron project.
• Positron has strong IP, products and market position as core foundation.
## Company Snapshot

| **POSITRON CORPORATION** |
|-------------------------|------------------|
| **INDUSTRY**            | NUCLEAR MEDICINE/HEALTHCARE |
| **TICKER SYMBOL**       | OTCBB : POSC     |
| **CURRENT PRICE**       | $0.005           |
| **AVERAGE VOLUME (3 MONTH)** | 350K         |
| **52 WEEK RANGE**       | $0.003 - $0.010   |
| **SHARES OUTSTANDING / FULLY DILUTED** | 1.5B / 3.4B |
| **FLOAT**               | 768M             |
| **MARKET CAP**          | $17M             |
Summary

FIRST TO THE FUTURE OF CARDIAC PET

Positron is the only company with the critical components to vertically integrate the fragmented “single source supplier environment” that exists in the cardiac PET market today.

Positron’s ability to supplement the supply of key radioisotopes and offer innovative products and services the Company will become the industry’s only end-to-end solutions provider.

Projected revenue growth could be exponential over the next several years, increasing as each of our success factors is attained. The culmination of our efforts will have an immediate impact in our business and revenue with an expectation of tangible returns moving forward.
Forward Looking Statements

Certain statements contained in this presentation may constitute “forward-looking statements.” Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors as disclosed in our filings with the Securities and Exchange Commission. The forward-looking statements included in this presentation represent the Company's views as of the date of this presentation and these views could change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of the presentation.