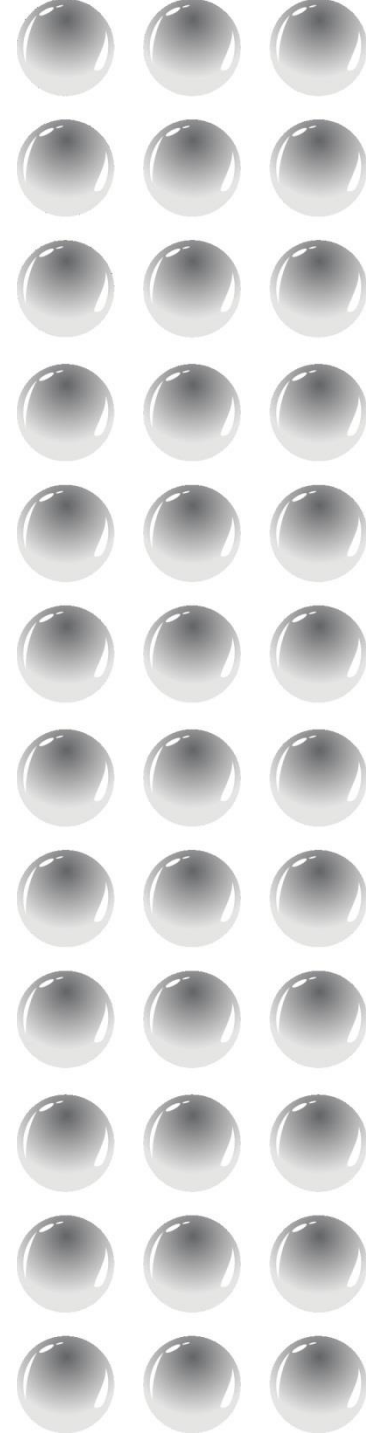




Sqi

DIAGNOSTICS

science quality innovation



# FORWARD LOOKING STATEMENTS

This presentation may contain certain statements including, without limitation, the words “may”, “plan”, “will”, “estimate”, “continue”, “anticipate”, “intend”, “expect”, “believe”, “in the process”, “benefits”, “leading to”, “possible”, “is subject to” and other similar expressions which may constitute “forward-looking statements” within the meaning of applicable securities laws.

Forward-looking statements reflect the Company's current expectations and assumptions, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. Readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements involve risks and uncertainties including, but not limited to: our ability to market and sell our products including our novel multiplexing technologies and detection platforms; our ability to maintain any technical or product advantages; the success of our Diagnostic Tools and Services business and our intent to build near-term revenue streams from this business; the successful regulatory filing and receipt of regulatory approvals for our later stage quantitative diagnostic kits; adverse changes in general economic conditions; international risk and currency exchange fluctuations; competitor activity; technology changes; regulatory approvals and the impact of healthcare reform legislation; and, SQI's ability to raise additional funds in the future.

Such statements, risks and uncertainties are detailed in the Company's ongoing filings with the securities regulatory authorities, and are available to the public at [www.sedar.com](http://www.sedar.com). The Company undertakes no obligation to publicly update or revise any forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable securities laws.

# WHY INVEST...?

OVER THE  
NEXT 5 YEARS

1. GROWTH IN SUSTAINABLE RECURRING REVENUE
2. COMMERCIALIZED PRODUCTS FOR DIAGNOSTICS CUSTOMERS TO EXCEED 2.5m TESTS PER YEAR
3. CLIA TESTING OPPORTUNITIES ADDS A MULTIPLE TO KIT/PER SAMPLE REVENUE
4. ACHIEVE CASH FLOW POSITIVE
5. VALUATIONS IN THIS SECTOR CAN EXCEED 16X REVENUES
6. WE ARE ACQUIRING NEW TEST-CENTRIC PORTFOLIO WITH MARKET EXCLUSIVITY
















**A DIAGNOSTIC TOOLS COMPANY OFFERING MULTIPLEXED DX TESTS AND AUTOMATED SYSTEMS TO MEET THE UNMET NEEDS OF**










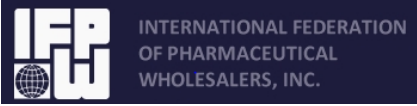



**Diagnostic Companies with novel tests & BioPharma Drug Developers**

- Proven multiplexing technology – more results, fewer tests run
- Growing list of established diagnostics and global biopharma customers
- Technical Superiority
- Very high levels of customer satisfaction
- ISO 13485 compliant development and manufacturing – trust
- Achieving significant cost reductions in our customers' core business

# EXPERIENCED EXECUTIVE TEAM

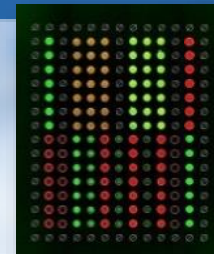
Name	Title	Previous Affiliations
Andrew Morris	CEO	   
Eric Brouwer	CSO	  
Russ Peloquin	VP, Sales & Marketing	 
Aye Nyein San	VP Engineering	  
Patricia Lie	VP Finance	TD Canada Trust      PwC
Peter Lea	Founder	 45 Publications; 40 Patents

# BOARD OF DIRECTORS = 60% OWNERSHIP

Name	Title	Affiliations
Clive Beddoe	Chairman	 <b>Hanover Group of Companies</b>
Gerald Connor	Board Member	 
Wilmot Matthews	Board Member	
Claude Ricks	Chairman, Audit Committee	   
Eric Schneider	Board Member	
Eric Zwisler	Board Member	  
Andrew Morris	Board Member, CEO	    

# MULTIPLEXING

**mul-ti-plex** ---- **verb** ---- /'məl-tē -, pleks/  
-to detect multiple analytes from a single biological specimen



one well  
one unit of effort  
multiple results



the pain is cost,  
the cure is multiplexing and automated analyzers from SQI

using only 15 minutes of labour, our products and systems  
deliver full panels of over 7,000 quantified results  
reducing labour costs by > 90%  
maintaining quality and performance  
in every result

# SIGNIFICANT LABOUR AND TIME SAVINGS

**Standard ELISA  
(manual operation)**



**50 Minutes / Patient**

**10-X**

**sqidlite™**



**30 Seconds / Patient**

Save time and reduce costs, with superior technical performance



# SIGNIFICANT LABOUR AND TIME SAVINGS – MATH

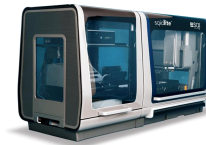
## 10 biomarker panel

### 100,000 patient samples



Standard ELISA  
(SEMI-manual operation)

**10 blood samples / patient**  
**20 if using duplicates**  
**20,810 ELISA Kits**  
**870 days of labour**



**sqidlite™**  
(fully automated operation)

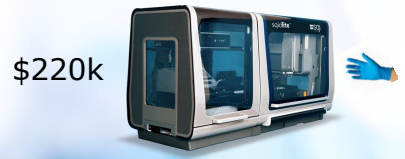
**1 blood sample / patient**  
**no duplicates needed**  
**1,042 SQI Kits**  
**34 days of labour on 2 sqidlites**

and, the sqid**lite** is super easy to use

# OUR PRODUCT PORTFOLIO

1

## INSTRUMENTS



\$220k

FULLY AUTOMATED  
75k-130k SAMPLES / YR



\$320k

FULLY AUTOMATED  
+150k SAMPLES / YR



\$90k

semi AUTOMATED  
100k SAMPLES / YR

2

## KITS

Custom Pharma

Custom Diagnostic

FDA Cleared Tests

Off the Shelf Biomarkers

Drive Recurring Revenue

Portable Across  
Instruments

Revenue of up to \$20 per  
sample

3

## SERVICES

RAPID KIT  
DEVELOPMENT

PHARMA TESTING  
SERVICES

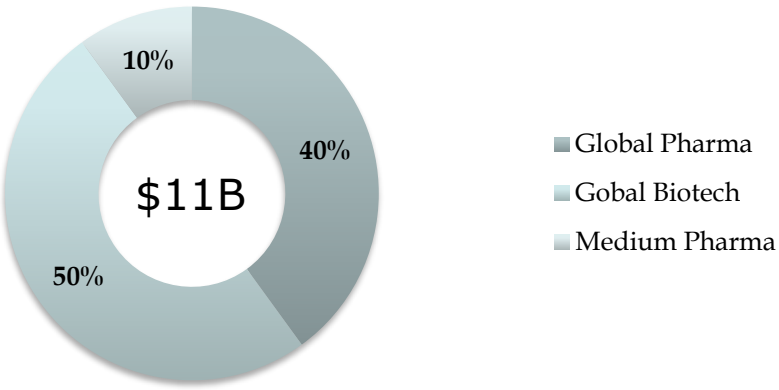
CLIA TESTING  
SERVICES (new!)

# BLUE SKY OPPORTUNITY

Patient Samples per month	Annualized Recurring Revenue Potential													
	PULS		MICRODROP		Infectious Disease		CLIA Testing	TOTAL						
					Sepsis	Biopharma	Services							
2500	\$	690,000	\$	530,000	\$	80,000	\$	680,000	\$	600,000	\$	2,580,000		
5000	\$	1,250,000	\$	1,010,000	\$	160,000	\$	1,360,000	\$	1,200,000	\$	4,980,000		
10000	\$	2,240,000	\$	1,820,000	\$	290,000	\$	2,720,000	\$	4,000,000	\$	11,070,000		
												\$	18,630,000	
TARGET Monthly Patients within 36 MONTHS		30,000		50,000		75,000		10,000		60,000		total		
	\$	6,720,000	\$	9,100,000	\$	2,175,000	\$	2,720,000	\$	24,000,000	\$		\$	44,715,000

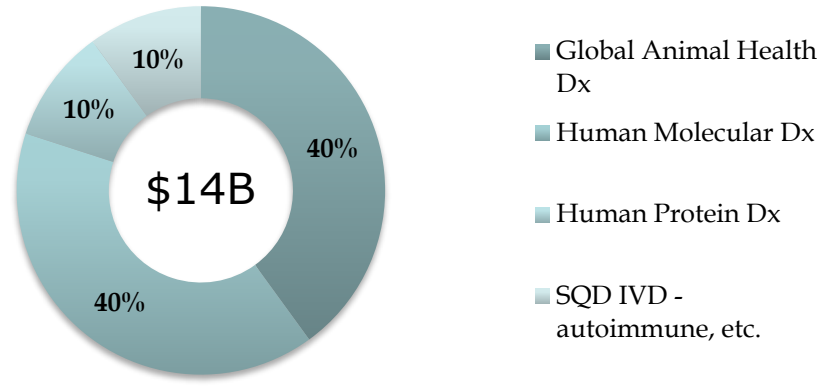
# Focus on Two Major Dx Markets

## Drug Development Testing



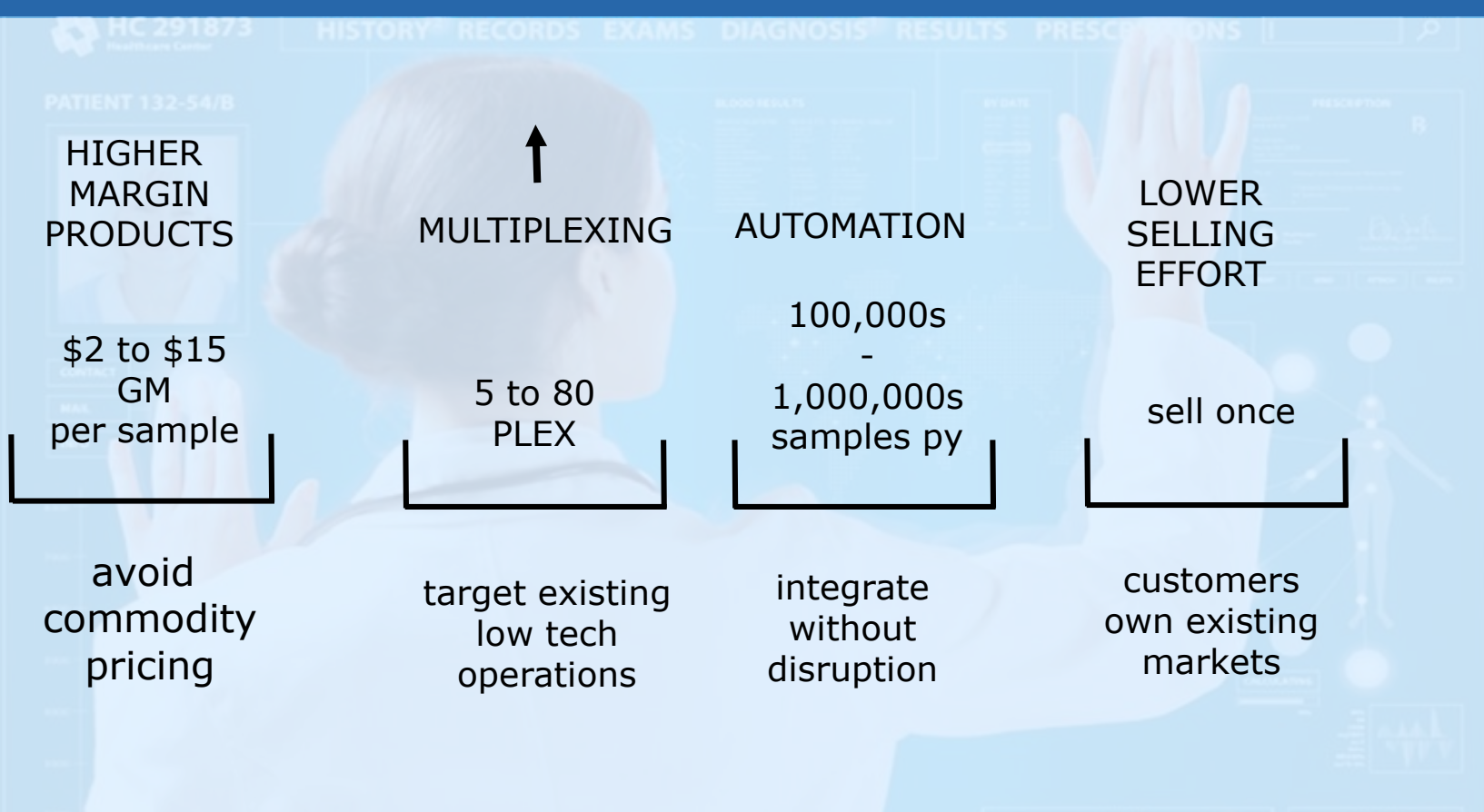
- custom and off-the-shelf tests for drug development testing
- safety & efficacy tests are large % of total R&D budgets & are addressable by SQI tech
- \$11B in North America

## Diagnostic Tests



- we take Dx operators' existing single test products and multiplex them
- Human and Animal Health addressable markets
- Human - \$4B for Dx immunoassays / \$9B for Dx molecular tests in North America
- Animal Health - \$1B consumables market

# DIAGNOSTIC CUSTOMER FOCUS



REDUCE TIME, EFFORT, COST



IMPROVE HEALTH OUTCOMES

# GD BIOSCIENCE PULS PRODUCT = UNMET NEED

- 7 Plex panel for cardiac markers combined with a proprietary algorithm
- Test predicts with 80% confidence likelihood of an adverse cardiac event forward for five years
- Important as it provides forward-looking evidence to guide lifestyle changes or interventional treatment well ahead of an event
- Customer currently running tests at their CLIA lab in California
- SQL projected revenue to be ~\$ 15.00 per test with volumes of 10,000 volumes per month exiting Q1 2019
- Customer has 2 additional products in their pipeline

# MICRODROP - DIRECT TO CONSUMER

NEW direct-to-consumer diagnostic testing market is predicted to grow to \$350M by the year 2020

- Direct to consumer strategy, large investment in on-line marketing, sales and fulfillment
- 2 sqidlites validated in Sept18, SQI's celiac product will be first to launch
- Next product launch, SQI's rheumatoid arthritis product
- Follow-on products to be developed for Microdrop – men's health, cardiac health, food allergy
- A minimum number of kits to be purchased by Microdrop to maintain retail market exclusivity
- Celiac Disease affects at least 3 million Americans. It is the most common — and one of the most underdiagnosed — hereditary autoimmune conditions in the United States today.
- Rheumatoid Arthritis which afflicts 1% of the world's population and where 1.3 million prescriptions will be written this year

# WHY INVEST...?

OVER THE  
NEXT 5 YEARS

1. GROWTH IN SUSTAINABLE RECURRING REVENUE
2. CLIA TESTING OPPORTUNITIES ADDS A MULTIPLE TO KIT/PER SAMPLE REVENUE
3. COMMERCIALIZED PRODUCTS FOR DIAGNOSTICS CUSTOMERS TO EXCEED 2.5m TESTS PER YEAR
4. ACHIEVE CASH FLOW POSITIVE
5. VALUATIONS IN THIS SECTOR CAN EXCEED 16X REVENUES
6. ACQUIRING NEW TEST-CENTRIC PORTFOLIO WITH MARKET EXCLUSIVITY



# COMPANY SNAPSHOT

**TSX-V :SQD**

**Traded on OTCQ :SQIDF**

**Shares outstanding: 158M**

**Warrants: 82M**

**Stock Options Granted: 8.5M**

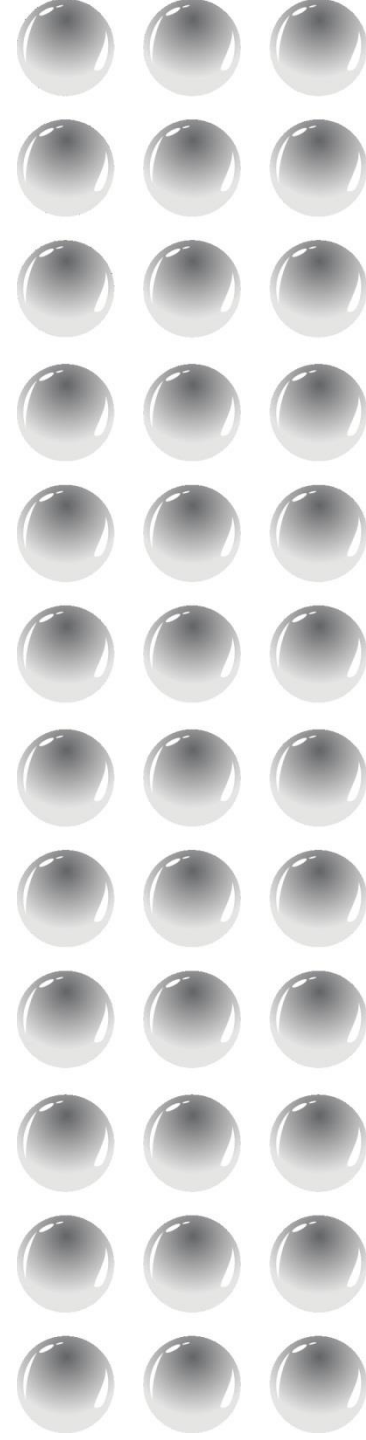
**Market Cap: ~\$20M**

**Insider ownership ~ 66%**





SQI  
DIAGNOSTICS



## CONTACT INFORMATION:

SQI DIAGNOSTICS INC.

36 METEOR DRIVE

TORONTO, CANADA M9W 1A4

[IR@SQIDIAGNOSTICS.COM](mailto:IR@SQIDIAGNOSTICS.COM)/[AMORRIS@SQIDIAGNOSTICS.COM](mailto:AMORRIS@SQIDIAGNOSTICS.COM)

416-674-9500 /X229