

## Predictive Oncology CEO Letter to Shareholders

October 6, 2020

EAGAN, Minn., Oct. 06, 2020 (GLOBE NEWSWIRE) -- Predictive Oncology (NASDAQ:POAI), a knowledge-driven company focused on applying artificial intelligence ("AI") to personalized medicine and drug discovery, is pleased to release the CEO's letter to the shareholders.

To our valued shareholders,

I know you have watched our stock price decline steadily over the past few weeks. I am writing to assure you that there is a lot of encouraging progress to report – in other words, our company is not in the condition that the stock price might indicate. I want to take this opportunity to review where Predictive Oncology stands as of today.

Our cash burn is stable and trending downward. Our revenues are stable and trending upward. Our available cash is adequate for operations and we have the ability to utilize our equity line of credit, which has a remaining amount of over \$10 million.

The best news is in the operational progress in our various divisions. Starting with Skyline Medical, this division is self-supporting from a cash standpoint. Sales of disposables used on previously sold machines more than cover the operating expenses of this division, and we continue to sell new machines on a regular basis, adding to future disposables revenues.

Our Helomics division is coming along handsomely. We have launched a restructured clinical test offering to clinicians for ovarian cancer. The response from oncologists to this re-configured test has been excellent and we expect this effort, as well as our other tests, to be revenue generating by year end and should be able to cover the bulk of Helomics operating expenses going forward. We have made solid progress on the UPMC-Magee Women's Hospital project and are close to completing our AI-driven models of drug response and patient outcomes. We are also finishing the sequencing of the tumors from the patients involved and have completed the "reach back" for patient outcome data (i.e. including data on what happened to the patient). The Magee Study validates our ability to sequence our tumor inventory as well as to do the reach back for patient outcomes. The acquisition and integration of the newly acquired Quantitative Medicine AI software into Helomics' existing computer model is a major accomplishment. We have begun discussions with large Pharma companies in an effort to form major, multi-year, multi-target, milestone based strategic partnerships. We hope to make more announcements soon.

Our TumorGenesis division has not been resting on its' laurels. We will be introducing our Ovarian Cell Line Media at the BIO-Europe Conference. This media will allow researchers to isolate and successfully culture ovarian cancer cells that have previously not been cultured. Under the NCI Prevent Cancer Program, TumorGenesis, Cornell Medical and Helomics will coordinate with and seek funding for this program to help identify the best culture media for the studying of mutations that increase the risk of ovarian and breast cancers as well as other types of cancers. TumorGenesis is registering with the U.S. government as a contractor for developmental work in cancer cell capture and screening of compounds for the prevention and treatment of cancer. TumorGenesis Discovery Kits will also launch at the BIO-Europe conference. These kits will allow researchers to study and tag target cancer cells as well as normal cells often associated with tumors and let pathologists screen approved drug therapies across isolated and properly identified ovarian cancer samples from patients.

Last, but certainly not least, is Soluble Biotech. We have moved this division into a new Research Park located in Birmingham, Alabama. This new facility effectively quadruples our Soluble's office and research space. This state of the art company provides optimized FDA-approved formulations for vaccines, antibodies and other protein therapeutics in a faster and lower cost basis to its customers. In addition, the company recently purchased and installed a suite of new research equipment that enables protein degradation studies which is a new and substantial line of business for the company. Our investment in new equipment, combined with our proprietary existing equipment, expands the company's capabilities to include temperature-controlled humidity chamber analysis, temperature-controlled photo-stability analysis, differential scanning calorimetry, viscometry analysis, UV/vis spectroscopy analysis, High Performance Liquid Chromatography (HPLC), a state-of-the-art automated dynamic laser light scattering system (DLS), free flow particle microscopic analysis, circular dichroism analysis, electron microscopy and high resolution mass spectrometry. Soluble Biotech is also planning to begin the development of an FDA-approved GMP facility to further support pharmaceutical needs. We have already secured a sizable contract and we are bidding on several more. I expect Soluble Biotech to be generating revenues by the end of the year.

As you can see, a lot is happening. Much is occurring under the radar. Much doesn't make for a press release. However, don't be discouraged by the lack of "blockbuster" announcements. We are moving forward rapidly and we expect the fourth quarter to be eventful. I will make myself available to shareholders who may wish to speak with me.

Sincerely,

Carl Schwartz CEO Predictive Oncology.

About Predictive Oncology, Inc.

Predictive Oncology (NASDAQ: POAI) operates through three segments (Domestic, International and other), which contain four subsidiaries; Helomics, TumorGenesis, Skyline Medical and Soluble Biotech. Helomics applies artificial intelligence to its rich data gathered from patient tumors to both personalize cancer therapies for patients and drive the development of new targeted therapies in collaborations with pharmaceutical companies. Helomics' CLIA-certified lab provides clinical testing that assists oncologists in individualizing patient treatment decisions, by providing an evidence-based roadmap for therapy. In addition to its proprietary precision oncology platform, Helomics offers boutique CRO services that leverage its TruTumor™, patient-derived tumor models coupled to a wide range of multi-omics assays (genomics, proteomics and biochemical), and an AI-powered proprietary bioinformatics platform to provide a tailored solution to its clients' specific needs. TumorGenesis, Inc. a wholly owned subsidiary specializes in media's that help cancer cells grow and retain their DNA/RNA and proteomic signatures providing researchers with a tool to expand and study cancer cell types found in tumors of the blood and organ systems of all mammals, including humans. In addition, TumorGenesis is developing a 'biomarker discovery' kit and service for life science, pharmaceutical and biotech companies, and research institutions. Its products are sold on-line as well as through a global distributor; US Biologicals Corporation: <http://www.usbio.net>. Predictive Oncology's Skyline Medical division markets its patented and FDA cleared STREAMWAY System, which automates the collection, measurement and disposal of waste fluid, including blood, irrigation fluid and others, within a medical facility, through both domestic and international divisions. The company has achieved sales in five of the seven continents through both direct sales and distributor partners. For more information, please visit [www.Predictive-Oncology.com](http://www.Predictive-Oncology.com). Soluble

Biotech is a provider of soluble and stable formulations for proteins including vaccines, antibodies, large and small proteins and protein complexes. The company's services enhance the drug development process by rapidly optimizing protein solubility and stability. Soluble Biotech brings transformational technology to formulation development for protein-based pharmaceutical and vaccines. In addition, our solubilization & stability technology supports fundamental protein research at academic, pharmaceutical and government laboratories. To learn more, please visit: <https://solublebiotech.com>.

#### Cautionary Statement Regarding Forward-Looking Statements

Certain matters discussed in this release contain forward-looking statements. These forward-looking statements reflect our current expectations and projections about future events and are subject to substantial risks, uncertainties and assumptions about our operations and the investments we make. All statements, other than statements of historical facts, included in this press release regarding our strategy, future operations, future financial position, future revenue and financial performance, projected costs, prospects, plans and objectives of management are forward-looking statements. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "would," "target" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Our actual future performance may materially differ from that contemplated by the forward-looking statements as a result of a variety of factors including, among other things, factors discussed under the heading "Risk Factors" in our filings with the SEC. Except as expressly required by law, the Company disclaims any intent or obligation to update these forward-looking statements.

#### Investor Relations Contact:

Hayden IR  
James Carbonara  
(646)-755-7412  
[james@haydenir.com](mailto:james@haydenir.com)



Source: Predictive Oncology Inc.