



**positive**



detection and diagnostics

Shareholder Update  
January 13, 2016

# Safe Harbor

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Information contained in this presentation may contain forward-looking statements, including, but not limited to: PositiveID's ability to participate in the next generation BioWatch opportunity and PositiveID's ability to complete development and commercialization of Firefly Dx. These forward-looking statements are not statements of historical fact and represent only PositiveID Corporation's beliefs regarding future performance, which is inherently uncertain. There are a variety of factors, many of which are beyond the control of PositiveID Corporation, which affect operations, performance, business strategy and results and could cause actual results and experience to differ materially from the expectations and objectives expressed in any forward-looking statements. Additional information about these and other factors that could affect PositiveID Corporation's business is set forth in PositiveID Corporation's various filings with the Securities and Exchange Commission, including those set forth in PositiveID Corporation's Form 10-K filed on March 30, 2015, as amended on December 31, 2015, and Forms 10-Q filed on November 12, 2015, August 13, 2015, and May 15, 2015, under the caption "Risk Factors." PositiveID undertakes no obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this statement or to reflect the occurrence of unanticipated events, except as required by law.



# Detection and Diagnostics

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- Innovative, disruptive products positioned to revolutionize biological testing, detection and diagnostics markets
- Leading molecular diagnostic technologies using multiplex polymerase chain reaction (PCR) chemistry that are accurate, rapid, easy-to-use, cost-effective, assay agnostic
- Evolving, growing need for bio-threat and infectious disease detection requires point-of-need testing capabilities
- Proven technologies with 18 patents/patents pending
- Two recent acquisitions: E-N-G Mobile Systems, specializing in mobile labs and homeland security vehicles, and Caregiver® FDA-cleared non-contact thermometer
- Synergistic product lines, distribution channels, and customer opportunities
- Strong partners, experienced management
- Record revenues of \$2.7M reported in Q3 2015
- Continued growth of the business organically and through complementary acquisitions





# Addressing Large and Growing Markets

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- Global PCR market projected to reach \$13.4B by 2020, with real-time PCR projected to reach \$5.7B
- Global food safety market projected to reach \$19.7B by 2018
- Global hospital-acquired disease testing market expected to reach \$7.5B by 2019
- Global bio-detection market projected to reach \$5.6B by 2016
- Global body temperature monitoring market projected to reach \$1B by 2020, with infrared/non-contact thermometry fastest growing segment



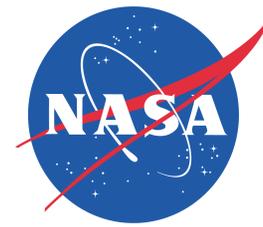
# Management Team and Advisors

| Executives                             |   |
|--|---|
| William J. Caragol<br>Chairman and CEO | 25 years experience managing technology companies, mainly with public companies - Deloitte, Condor Technology Solutions, East Wind Partners, Millivision      |
| Lyle L. Probst<br>President            | 15 years managerial experience in bio-detection, including time at Lawrence Livermore National Labs and SAIC  |
| Allison Tomek<br>Sr. VP Corp. Dev.     | 15 years public company experience with technology and healthcare companies – Andrx Corporation, VeriChip   |
| Gary O’Hara,<br>CTO Thermomedics       | 25 years of experience in medical device product innovation and business development; invented the first commercialized infrared tympanic thermometer         |
| Board of Advisors                      |   |
| Dr. Kimothy Smith                      | Former Senior Advisor for International Biodefense for DHS Office of Health Affairs, and Chief Scientist for OHA, leadership experience at LLNL               |
| Yuval Rabin                            | Yuval has held senior executive positions at AARP, The Principal Group, Ericsson, Airbus Industries, Nokia. Son of late Israeli Prime Minister Yitzhak Rabin  |
| Michael Campbell                       | Entrepreneur and executive, with specialty in government and political relations; candidate for Lieutenant Governor of SC                                     |
| Thomas DiNanno                         | Served as Deputy Asst. Secretary for Critical Infrastructure Protection at DHS, and Special Asst. to the Chief of Staff in the DHS                            |
| Board of Directors                     |   |
| Ned L. Siegel                          | Former U.S. Ambassador to the Commonwealth of the Bahamas, and Senior Advisor to the U.S. Mission for the 61 <sup>st</sup> Session of the UN General Assembly |
| Michael Krawitz                        | 20 years public company experience with technology companies; juris doctorate from Harvard University   |
| Jeffrey Cobb                           | 25 years executive management experience with technology companies  |



# High Profile Customers and Partners

- Federal, state & local governments
- Large commercial integrators
- Healthcare products distributors
- Command & communications agencies
  - Pacific Gas & Electric, City of Los Angeles
- National & state laboratories
  - Sandia, Lawrence Livermore
- Cellular providers
  - AT&T, Sprint
- TV stations & broadcast
  - NBC, CBS, and ABC affiliates
- International customers



Sandia  
National  
Laboratories



**MCKESSON**

**HENRY SCHEIN®**



# M-BAND: Automated Bio-Threat Detection

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- M-BAND is a bio-aerosol monitor that tests for airborne bio-threats in high-traffic locations
- M-BAND developed with \$30M of contract funding for U.S. DHS next-gen BioWatch program, estimated at \$3B; one of two proven technologies that meets autonomous detection requirement
- Uses industry gold standard PCR chemistry for more sensitive and specific test results in a shorter period of time than competing technologies, on 30-day autonomous service cycles
- The Boeing Company paid PositiveID \$2.5M license fee in 2013 for exclusive manufacturing and distribution rights to M-BAND in North America
- Exclusive right to provide monthly reagents/assays to Boeing for M-BAND units
- 2,500 units could provide recurring revenue of \$90-120M per year at 15-20% net margins
- Awarded \$1M contract with United Technologies for U.S. DoD JUPITR Program testing
- Faster time to detection saves lives



# Firefly Dx: Rapid, Point-of-Need Diagnostics

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- Firefly Dx designed to provide accurate biological detection in less than 30 minutes at the point-of-need using a handheld device
- Uses real-time PCR for lab-quality results, faster and less expensively than existing systems; designed for sample to be inserted directly into a disposable cartridge; one-button operation
- Currently available systems require taking a sample back to a central lab for confirmatory result, requiring additional time and money
- Benchtop data being run with commercial and proprietary assays; successful detection of MRSA, MSSA, C. diff, E. coli, influenza, and other pathogens
- Field-testable unit expected to be completed in 2H 2016 to prepare for commercial sales in 2017
- Strong partners: signed a Space Act Agreement with NASA; DHS SenseNet contract with ENSCO; Cooperative R&D Agreement with USSOCOM for Firefly Dx
- Global real-time PCR market projected to reach \$5.7B by 2020; infectious disease diagnostics market to reach \$18.2B by 2019; global food safety testing market estimated at \$19.7B by 2018



# E-N-G: Mobile Technology Vehicles



- Recent acquisition of E-N-G transforms PositiveID with the addition of revenue, cash flow, synergistic technology platform, strong customers
- E-N-G is a leader in mobile labs, homeland security, command and communications vehicles, and TV and broadcast vans, with a 25+ year operating history
- Average revenue of over \$4M per year for the last 10 years, with gross margins averaging 35%; strong pipeline of opportunities
- Fastest growing segment of E-N-G's business is mobile labs, which includes chemical, biological, nuclear, radiological and explosives testing in the field
- PositiveID's bio-detection expertise combined with E-N-G's mobile technology capabilities will create a turnkey mobile lab system able to conduct analysis and full biological testing-to-result in the field



# Caregiver®: Non-Contact Thermometer

- Caregiver is an FDA-cleared, clinical-grade, infrared thermometer that measures forehead temperature in adults, children, and infants, without contact
- Caregiver reduces contamination risk and saves medical facilities the cost of probe covers (\$0.05 to \$0.15 per temp), storage space, and disposal costs
- Gross margins for Caregiver average above 80%
- Established distribution channel/customers overlap with expected customer base for Firefly Dx
- Signed agreements with leading healthcare products distributors
- Acquisition of Caregiver brings manufacturing and FDA expertise, strong management team, and revenue
- Global market for medical thermometers forecast to exceed \$1 billion by 2020 with infrared thermometers experiencing the fastest growth driven in part by concerns over the spread of highly infectious diseases like Ebola



# Financial Results

## Income Statement

| \$ in thousands           | Nine Months Ended |            |
|---------------------------|-------------------|------------|
|                           | 9/30/2015         | 9/30/2014  |
| Revenue                   | \$2,682           | \$745      |
| Operating loss            | \$ (2,188)        | \$ (3,135) |
| Net loss                  | \$ (6,886)        | \$ (4,714) |
|                           |                   |            |
|                           |                   |            |
|                           |                   |            |
|                           |                   |            |
|                           |                   |            |
|                           | 9/30/15           | 12/31/14   |
| Cash                      | \$ 319            | \$ 145     |
| Total Assets              | \$ 1,046          | \$ 1,021   |
| Total Current Liabilities | \$ 8,737          | \$ 8,226   |
| Stockholders' Deficit     | \$ (9,823)        | \$ (8,446) |

## Balance Sheet



# Capitalization

| <i>(Shares and \$ in thousands)</i> | <b>Current</b>                 | <b>Ownership %</b> |                |
|-------------------------------------|--------------------------------|--------------------|----------------|
|                                     |                                | <b>Basic</b>       | <b>Diluted</b> |
| <b>Equity</b>                       |                                |                    |                |
| Common Shares                       | 444,451 <sup>(1)</sup>         | 100.0%             | 78.5%          |
| Series I Preferred - Board and Mgmt | 83,697                         |                    | 14.8%          |
| Options and Warrants                | 38,092 <sup>(2)</sup>          |                    | 6.7%           |
| Diluted Shares                      | <u>566,240</u>                 |                    | <u>100.0%</u>  |
| <b>Convertible Debt</b>             | <u>\$ 4,740</u> <sup>(3)</sup> |                    |                |

(1) Share counts as of January 8, 2016

(2) Approx. 75% at the money (2¢ to 3¢); approx. 25% at (6¢ to 8¢)

(3) Debt outstanding principal and interest as of Sept. 30, 2015



# Highlights

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- Product lines developed from patented and patent-pending technologies addressing large government AND commercial markets with unmet needs
- Strong partners/customers and distribution network
- Experienced management team; outstanding scientists with proven track records
- Vast Firefly Dx market opportunity: global PCR market projected to reach over \$13B by 2020; food safety testing projected to reach over \$19B by 2018
- On track to produce Firefly Dx units for customer evaluation in 2H 2016 and preparing for commercial sales in 2017
- Recent acquisitions complement long-term strategy and provide near-term revenue and cash flow across synergistic technology platforms
- \$2.7 million of revenue recognized in nine months ended September 30, 2015; \$945 thousand of revenue recognized in CY 2014
- Company targets revenue of between \$5.0 to \$6.0 million in 2016, with improving operating cash flows; Company targets moving to consolidated operating profitability during CY 2017

