



> **The Company**

GeneEx is at the forefront of an emerging trend in medicine: the use of noninvasive and minimally invasive techniques for diagnosis or prediction of disease. Its proprietary technology can create diagnostics for numerous autoimmune and infectious diseases. With a unique combination of patented technologies, an experienced management team, a gifted scientific and advisory team and products with shortened regulatory pathways, GeneEx expects to generate substantial profits in the very near future.

> **Products**

GeneEx provides a fast and affordable chair-side test to diagnose periodontal disease. The product is a small, disposable lateral flow test for use during routine dental examinations. The dentist or hygienist puts a small saliva sample into an opening at one end of the test cartridge and, within minutes, colored lines appear that indicate if the patient has periodontal disease and the severity of the disease. The test enables dentists and periodontists to identify periodontal disease before symptoms are evident, to measure the extent of the disease, and to monitor the effect of treatment. The GeneEx test can help the dentist uncover disease that might otherwise have been missed, allowing diagnosis before significant damage has occurred, something that is not now easily detected.

While generating revenue and profit from the periodontitis diagnostic, GeneEx will be developing noninvasive medical diagnostics for other autoimmune and infectious diseases.

> **Management Team**

The GeneEx management team is comprised of company founder and CEO, MEAD M. MCCABE, SR., PH.D., an experienced CEO and scientist, and Vice President, COO, ALEX ALLER, PH.D. Dr. McCabe has extensive expertise in executive management, biotech medical technologies and product development. Dr. Aller has strong operational, development, direct sales and marketing experience. By first quarter of 2005, Dr. McCabe will become Chief Scientific Officer when the Company secures a new CEO more experienced in managing rapidly growing medical device, diagnostic companies. The team has demonstrated ability to successfully operate public and private companies, bring products to market rapidly and produce profitable operations.

> **Opportunity**

The American Dental Association estimates 177 million checkups and 22 million comprehensive oral exams were performed in 2001. Based on GeneEx market surveys, U.S. dental checkups & comprehensive oral exams are conservatively estimated at 105 million, and new patient, recall visits to periodontists are estimated at 2 million in 2004. GeneEx estimates the U.S. market potential for this diagnostic is approximately \$1.6 billion. With gross margins of 83%, this can be a very lucrative investment; for example, 1% market share the first year would produce product revenue of \$16.3 million with net profit of \$2.4 million. In five years a projected 8.9% market share would lead to product revenue of \$141.8 million and net profit of \$25.3 million.

No other chair-side test for the presence of periodontal disease exists in the market today. Although GeneEx will focus first on its periodontitis diagnostic, the total market for the entire line of diagnostic devices, including the periodontitis diagnostic, is estimated to exceed \$8 billion. The potential North American and European market for the GeneEX Diabetes System is 2.5 billion. The possible COX-2 inhibitor market is \$4.8 billion. And the market for diabetic kidney failure testing is \$335 million. Market surveys show that more than 95% of responding dentists would use the test routinely at the price-point targeted by the Company.

GeneEx is focusing first on a diagnostic test it can bring to market in 10 months or less: an inexpensive, rapid chair-side test that dentists use to 1) screen patients for periodontal disease, 2) measure treatment efficacy and the progression or regression of the disease and 3) as an objective tool to aid in patient compliance. GeneEx is now completing initial testing of this product, thereby eliminating the major development risks inherent in a diagnostic product. And because it is a diagnostic, the regulatory pathway for this product is expected to be very short. The periodontitis diagnostic is expected to be classified as a medical device subject to the 510(k) approval process, a relatively simple regulatory approval pathway.

Many of the Company's potential diagnostic technologies have possible applications in the development of therapeutics and drugs, creating many licensing opportunities.

GeneEx's underlying periodontitis technology is protected by two core U.S. patent applications and two PCT applications.

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