



WV Bioscience Summit
February 28, 2013

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Protea Biosciences Group, Inc.

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Our Business is Bioanalytics

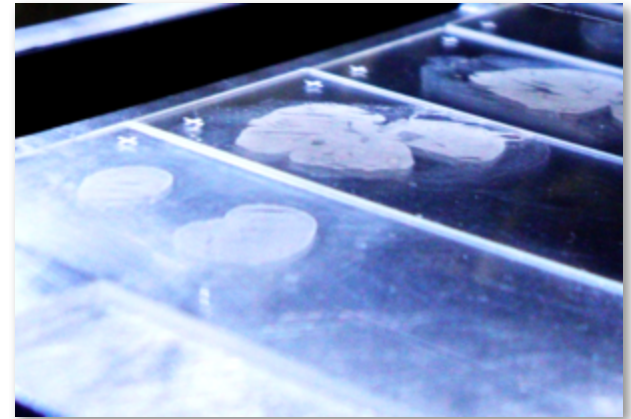
“Bioanalytics” is the identification of all biomolecules that reside in living cells – proteins, peptides, and metabolites

It is foundational for all life science and pharmaceutical research.

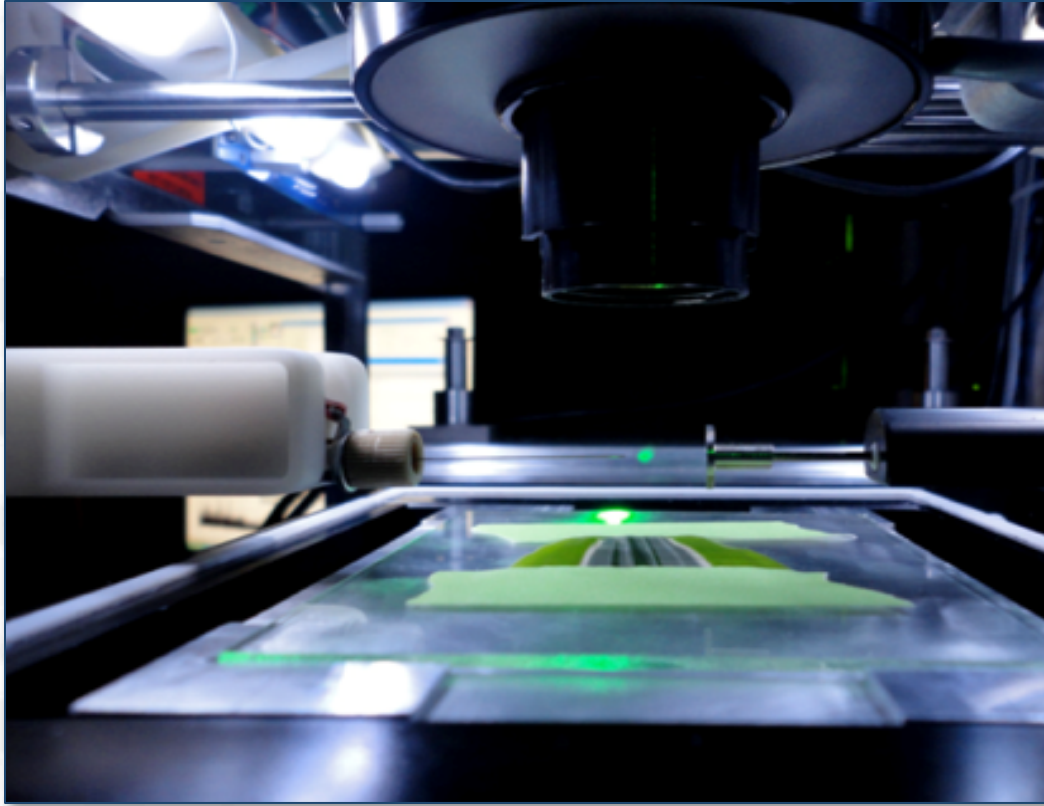
LAESI technology enables the rapid generation of large biomolecular datasets from all types of biological samples, in their native state, without altering the sample.

“Protea’s LAESI Technology is a revolutionary and truly transformational bioanalytics platform”

– Steve Unger, Analyst, Lazard Capital



LAESI: proven and commercial ready



Small molecules to large proteins

4 issued patents in 2011-12

>25 peer reviewed publications

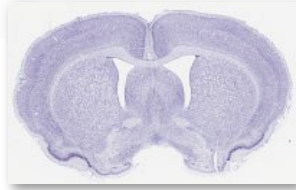
Used in pathology, drug discovery, agriculture, forensics.

Automated process - results in seconds to minutes

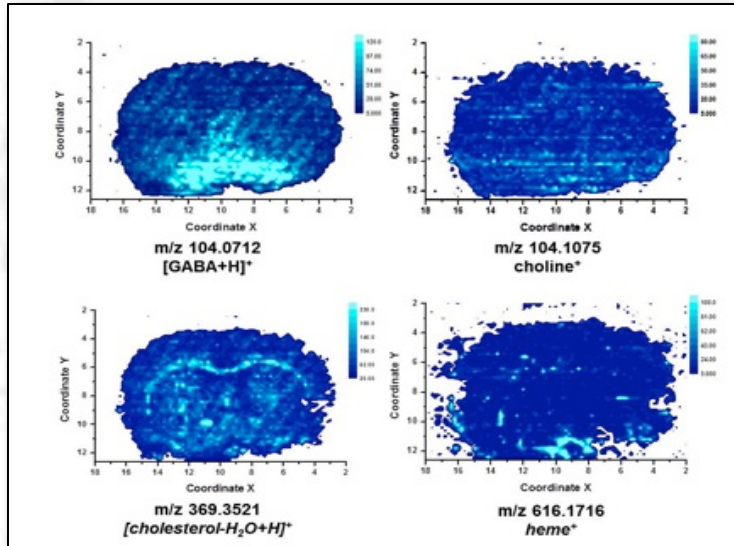
Co marketing agreement with Waters (NYSE: WAT)



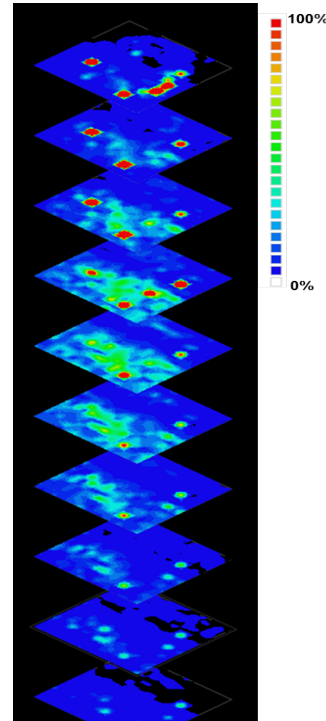
LAESI: 2D & 3D bio molecular imaging



100 µm (0.1 mm) section of rat brain



Spatial Distribution of Distinct Biomolecules



- 100's to 1000's of individual data sets depending on sample size
- File sizes from 250 MB to 10 GB
- Data can be searched for future reference with spatial relevance remaining intact
- Intuitive ProteaPlot imaging software – patents issued

A solutions - focused business model

“Better Data”

Potential Customers

20,000 organizations

Industries

Pharmaceutical
Biotechnology
Chemical
Government
Academia

Customer's Needs

ADME
Toxicology
Pharmacokinetics
Pharmacodynamics
Compound Screening
Drug/Target Interaction
Biomarker Discovery
Chemical Penetration
Chemical Distribution

LAESI Technology



LAESI DP 1000

- ASP \$175,000

ProteaPlot Software

- \$6,000 license fee
- Annual updates & upgrades

Warranty & Services

LAESI Imaging Consumables

Mass Spec Imaging Services



Average Service Contract

- \$25,000

High Gross Margin

- Targeting 75%

Project consulting

Data analysis & Bioinformatics

LAESI commercial development

LAESI market introduction in 2012

First commercial sales

U. of Amsterdam, NL sold & shipped
2 orders in house
>30 active leads

Co-Marketing agreement with Waters (NYSE:WAT)

LAESI installed & staff trained
Global customer demo center

Building U.S. sales operations

Boston-based Sales Manager

Mass Spec Imaging Services launched

Drug distribution studies
Research collaborations

Ongoing development

Single cell services in 2013
New applications
Full R&D pipeline



LAESI services laboratories

- **West Virginia is an outstanding location for biotechnology**

WVJIT, WVEDA, Innova

Employee Teams of the highest quality

- **Profound changes in capital formation for biotech companies**

Limited availability of private equity

Concept of the “virtual VC”

Need to provide investor liquidity earlier

- **Guidance for West Virginia biotechnology initiatives**

Intellectual Property

Solid science – critical role of graduate students

Early revenue - finding customers and keeping them

Build support - science advisors, board members, corporate partners

Persevere – keep going

Protea: a West Virginia biotech company

Direct Sales

Instrument & Services

Waters Corp.

LAESI installed at U.K. HQ
Team trained & independent

Distributors

10 - Europe & Asia
Securing additional partners

Founded:

2001 Morgantown, WV (WVU)

Employees:

44 full time (10 Ph.D.)

Paid-in capital:

\$40 million

Stage of company:

Early Commercial

Fully reporting (stock not yet listed)