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PositiveID Mid-Year Update: Company Advances FireflyDX Testing and Partnership Discussions, and Expands Caregiver Market Penetration

DELRAY BEACH, Fla., May 30, 2018 (GLOBE NEWSWIRE) -- PositiveID Corporation ("PositiveID" or the "Company") (OTC:PSID), a life sciences company focused on detection and diagnostics, is proud to provide stockholders with the following 2018 mid-year corporate update, including details related to the Company's key strategic and operational goals for its flagship FireflyDX and Caregiver products looking ahead to the second half of this year and beyond.

William J. Caragol, Chairman and CEO of PositiveID, comments, "The first half of 2018 may go down as one of the most important times in the Company's history. We have delivered additional tangible results with our R&D projects, and are seeing evidence of increasing traction and market disruption in our medical device segment. We have also made progress with two potential partners who are now engaged in late-stage negotiations to drive the final testing and development for our core technology."

Strategic Partnerships. On April 26, 2018, the Company announced in a letter to stockholders that it was conducting negotiations with two potential strategic partners related to transactions that could fund the testing and development of the FireflyDX-Portable.

The first potential transaction is an exclusive license with a North American partner for a vertical market in the broader agricultural testing space. The second is for a potential strategic collaboration and direct investment by an international entity into the Company's ExcitePCR subsidiary to bring the FireflyDX product line to a major international market.

Since the time of that letter, the Company has continued its negotiations, substantial due diligence, and documentation of these potential transactions. As a reminder, these strategic transactions, as contemplated, would lead to significant investment/license into ExcitePCR. The resulting potential transactions would leave PositiveID and its shareholders owning a large percentage of a capitalized ExcitePCR. While these two transactions are still in the negotiation phase, the Company's management remains encouraged by their progress and committed to their success.

Prototype Advancement. PositiveID continues to drive strong progress in its molecular diagnostics segment. Much of the Company's recent focus in this segment has been aimed at rigorous testing and analysis of the FireflyDX breadboard prototype pathogen

detection system (“prototype system”), which has become particularly relevant following the recent major E.coli outbreak involving romaine lettuce.

As announced, management is pleased with the FireflyDX prototype system’s performance in related tests, demonstrating the capacity to detect the E. coli bacterium in less than 30 minutes.

The Company’s FireflyDX rapid, portable pathogen detection products (currently under development) have the potential to disrupt the foodborne contagion outbreak prevention market. Management believes that this niche represents a significant market opportunity as foodborne disease outbreaks continue to intensify in both frequency and public visibility.

In addition, amid the historic severity of this year’s flu season, the Company successfully tested five different flu virus assays (Type A; Type B; H3N3; H7N1; and, H5N1) on the FireflyDX prototype system, and published a white paper and data confirming these results.

Finally, in January 2018, the Company announced that the design achievements comprising its FireflyDX real-time polymerase chain reaction (PCR) pathogen detection technology were analyzed and documented by an independent, federally funded laboratory.

Thermometry Disruption. Within the PositivelD Thermomedics subsidiary, the Company announced delivery of the first 500 Bluetooth®-enabled Caregiver® thermometers. Caregiver with Bluetooth was launched in January 2018. This significant order is expected to be the first of many, pending the successful launch of its customer’s new product line. The Bluetooth-enabled version of Caregiver connects wirelessly to patient monitoring stations and electronic health records systems in hospitals.

Since Caregiver does not touch the patient’s skin, it reduces the risk of cross-contamination, which is an increasing concern due to the rise of difficult-to-treat “superbugs” (e.g. Candida Auris) that are spread from skin contact. It also saves healthcare facilities the cost of probe covers (up to \$0.10 per temperature), storage space, and waste disposal costs. It is estimated that Caregiver can offer savings of \$250 or more per year per device in probe cover supplies alone.

Mobile Labs. In addition to its molecular diagnostics and medical device businesses, PositivelD also holds a significant equity interest in E-N-G Mobile Systems (“ENG”), a mobile laboratory and specialty vehicle manufacturer (the Company currently owns 24% of ENG’s capital stock).

To close the first quarter, ENG received a purchase order for a highly advanced vehicle. That one order is worth approximately \$1 million in sales for ENG.

Though PositivelD no longer consolidates the financial results of this business, it will continue to benefit from ENG’s future growth and success.

About PositivelD Corporation

PositiveID Corporation is a holding company with a focus on life sciences tools and diagnostics. PositiveID's ExcitePCR subsidiary develops biological detection and diagnostics systems, specializing in the development of microfluidic systems for the automated preparation of and performance of biological assays. PositiveID's Thermomedics subsidiary markets the FDA-cleared Caregiver® non-contact infrared thermometer. PositiveID also owns a minority interest in E-N-G Mobile Systems, a leader in the specialty vehicle market. For more information on PositiveID, please visit <http://www.psidcorp.com>, or connect with PositiveID on [Twitter](#), [Facebook](#) or [LinkedIn](#).

On August 24, 2017, the Company and its wholly-owned subsidiary PDI (collectively, the "Seller"), entered into an Asset Purchase Agreement ("APA") with its majority-owned subsidiary, ExcitePCR (the "Buyer"). Pursuant to the APA, at closing, the Company will own approximately 91% of ExcitePCR post-closing of the sale. The Buyer has not yet fulfilled the conditions to close the transaction which include ExcitePCR completing a financing of at least \$3 million.

Statements about PositiveID's future expectations, including the likelihood that the first half of 2018 may go down as one of the most important times in the Company's history; the likelihood that the Company is conducting negotiations with two potential strategic partners related to transactions that could fund the testing and development of the FireflyDX-Portable; the likelihood that these strategic transactions, as contemplated, would lead to significant investment/license into ExcitePCR; the likelihood that the resulting potential transactions would leave PositiveID and its shareholders owning a large percentage of a capitalized ExcitePCR; the likelihood that the Company's FireflyDX rapid, portable pathogen detection products have the potential to disrupt the foodborne contagion outbreak prevention market; the likelihood that this niche represents a significant market opportunity as foodborne disease outbreaks continue to intensify in both frequency and public visibility; the likelihood that this significant order of Caregiver with Bluetooth is expected to be the first of many, pending the successful launch of its customer's new product line; the likelihood that Caregiver can offer savings of \$250 or more per year per device in probe cover supplies alone; the likelihood that the Company will continue to benefit from ENG's future growth and success; constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and as that term is defined in the Private Litigation Reform Act of 1995. Such forward-looking statements involve risks and uncertainties and are subject to change at any time, and PositiveID's actual results could differ materially from expected results. These risks and uncertainties include, without limitation, the Company's ability to raise capital; the Company's ability to target the professional healthcare market; the Company's ability to close the APA; the Company's ability to fund the testing and development of the FireflyDX product line; as well as other risks. Additional information about these and other factors that could affect the Company's business is set forth in the Company's various filings with the Securities and Exchange Commission, including those set forth in the Company's 10-K filed on April 2, 2018, and 10-Qs filed on May 18, 2018, November 13, 2017, and August 14, 2017, under the caption "Risk Factors." The Company 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.

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