

Quick-Med
Technologies, Inc.



**Advanced Technologies
for Infection Prevention & Control**

February, 2012

Safe Harbor

Forward Looking Statements

This presentation contains forward-looking statements (statements which are not statements of historical facts). Any statements contained in this presentation that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may", "will", "expects", "plans", "believes", "anticipates", "intends", "estimates", or statements concerning potential opportunities or variations thereof or comparable terminology or the negative thereof should be construed as forward-looking statements involving risks and uncertainties, including without limitation the launch and approval of the potential products described herein and the Company's results of operations. The Company is also subject to other risks as detailed from time-to-time in the Company's SEC filings.



Company Overview

- Quick-Med has developed a disruptive technology—a way to bond antimicrobial agents to various materials
- We are developing and commercializing the world's most advanced antimicrobials
 - Effective / Safe / Non toxic / Non-depleting
- Our technology can revolutionize infection prevention and control by bringing new levels of antimicrobial protection to:
 - Wound Care
 - Catheters
 - Other Medical Devices
 - Consumer Textiles
 - Commercial Textiles
 - Military Textiles
- FDA and EPA approvals granted (2009 and 2011, respectively)
- Recurring revenues with non-recurring costs!



Key Facts

Symbol	QMDT
Corporate Headquarters	Gainesville, FL
Shares Outstanding (12/31/11)	37,346,154
Long-term debt (12/31/11)*	\$7,287,988
Cash and accounts receivable (12/31/11)	\$625,984
Revenue (TTM)*	\$926,005
EBITDA (TTM)	\$(1,898,065)
Insider Ownership	35%
Institutional Ownership Shares	18%
Full-time Employees	9
Fiscal Year	June 30
Accounting Firm	Daszkal Bolton LLP
Counsel	LKP Global Law, LLP
<i>* Additional details in this presentation</i>	



Leadership Team

Ladd Greeno

Chief Executive Officer

Joined in 2007. 30+ years of management and executive experience. Agion Technologies – CEO; Arthur D. Little – COO, SVP Management Consulting, SVP Environmental Consulting. MBA, Harvard Business School

Jerry Olderman, Ph.D

VP, Research & Development

Joined in 1997. 45 years of healthcare, and R&D experience. C.R. Bard's Cardiopulmonary Division – Director of R&D; Baxter Healthcare – VP, R&D Pharmaseal Division; Surgikos, VP R&D. PhD, Physical Chemistry, Seton Hall

Nam Nguyen, CPA

Chief Financial Officer

CFO since 2004. 25 years in financial management and accounting experience including IPO transaction in NYSE. W. R. Grace – Mgr - Financial Controls; John Alden Financial Corporation – VP, Financial Reporting; Pricewaterhouse – Senior Manager.

Roy Carr

Business Development

Joined in 2005. 20 years experience in wound care and medical devices. Ferris Mfg Corp. (advanced wound care) – COO; Sterigenics –General Manager, RCMedical–Managing Partner MS, Physical Chemistry and MBA, Illinois Institute of Technology

Greg Shultz, Ph.D.

Director & Scientific Advisor

Professor of Obstetrics/Gynecology and Director of the Institute for Wound Research, College of Medicine at the University of Florida. Past President, Wound Healing Society (1999-2001), PhD Biochemistry, Oklahoma State Univ. Post-doc Cell Biology, Yale

Chris Batich, Ph.D.

Scientific Advisor

Professor of Biomedical Engineering, and associate Director, Clinical and Translational Science Institute, University of Florida. PhD Organic Chemistry, Rutgers. Post-doc Physical Chemistry, Univ. of Basel

Hospital Infections *A Preventable Epidemic*

Despite considerable attention, hospital infection rates remain alarmingly high

- Millions of nosocomial infections each year
- Longer hospital stays, more complications
- 100,000 deaths in the US annually
- Over \$10 billion in additional costs
- Cost reimbursement no longer allowed by Medicare or insurers

“Super-bugs” now a serious community problem in hospitals and the community at large

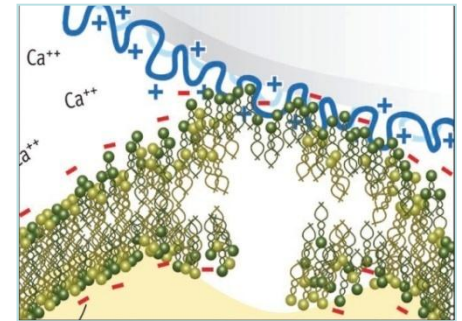
- MRSA rates are significant and rising
- Slow to diagnose, high cost, high fatality rates



Next Generation Antimicrobials

We are developing the world's most advanced antimicrobials

- Rapid acting and long lasting
- Control both Gram-positive and Gram-negative bacteria (including MRSA, VRE, and other difficult strains)
- New level of safety (non toxic, non leaching, non depleting, no bacterial resistance concerns)
- Proprietary technology for both absorbent and synthetic materials
- Highly cost effective; superior to competing technologies
- Ideally suited for a wide range of health care and consumer applications



**Quick-Med's Technologies
Destroy the Bacterial Cell Wall**



Three Core Antimicrobial Technologies

- **NIMBUS®** – A family of novel, non-depleting, non-leaching antimicrobial compounds designed for a wide range of medical device applications, including wound dressings, catheters, films and coatings.

Very large polymer / numerous bioactive groups / bonded to substrate

- **Stay Fresh®** – a unique chemical formulation for apparel and other laundered textiles with a durable antimicrobial agent effective against an array of bacteria even after 75 laundering cycles.

Hydrogen peroxide biocide / highly durable to laundering / color safe

- **NimbuDerm™** – A novel copolymer for application as a persistent hand sanitizer with long lasting (6+ hour) protection against germs.

Film former / bondable to skin

All Quick-Med antimicrobial technologies are: broadly effective, rapidly active, non-leaching, non-depleting, non-toxic, and engineered to not induce bacterial resistance



World Class Technology



Wound Healing Society
Blue Ribbon Industrial R&D Awards
2006 , 2008, 2010, 2011



“NIMBUS poses no danger of bacteria developing resistance, or of releasing toxic material into the wound and impeding the healing process. It is a novel technology: bonded and effective even in high concentrations of body fluid.”

-Gregory Schultz, PhD
Professor, Institute for Wound Research
University of Florida

Past President, Wound Healing Society

TIME

Microbe-Busting Bandages
Innovators Forging the Future



Superior to Competing Technologies

We offer superior attributes ...

Characteristic	Quick-Med	Silver	Triclosan
Effectiveness	High	High	Medium
Durability	High	Medium	Medium
Leaching	No	Yes	Yes
Bacterial Resistance Concerns	No	Documented	Documented
Economics	Low Cost	Expensive	Medium Cost

... while key competitors are receiving increased scrutiny

Silver

(the major active in medical devices)

- Impedes wound healing
- Susceptible to bacterial resistance
- Growing environmental concerns

Triclosan

(the major active in consumer products)

- Toxic to fish; found in 60% of US streams (USGS)
- Believed to be an endocrine disruptor
- Found in urine of 75% of population (CDC)
- Recent congressional action urging regulatory ban



Patent Protection in Major World Markets

Our technologies are protected by patents and patent applications in the United States, Australia, Brazil, Canada, China, Europe, India, Japan, Korea, Mexico, Russia, and South Africa

<p>Medical Devices <i>(NIMBUS & NimbuDerm)</i></p>	<ul style="list-style-type: none">• 7 U.S. and 8 foreign patents granted• 4 U.S. and 25 foreign patents pending <p><i>Granted patents expire in 2019, 2024, 2026 and 2028.</i></p>
<p>Textiles <i>(Stay Fresh)</i></p>	<ul style="list-style-type: none">• 2 U.S. and 15 foreign patents pending <p><i>Pending patents to provide protection until 2030</i></p>

Key competing technologies, triclosan and ionic silver, are off-patent



Business Model *High Margin, Low Infrastructure*

Strategic Thrust	Partnering with market leaders
Revenues	Recurring licensing fees
Cost of Sales	No manufacturing No inventory carrying costs
SG&A	Expenses focused on R&D No end-market sales force Core management team Legal & professional support
Income	Very profitable with high margins (> 60% gm) with sustainable recurring revenues



Partnering with Leaders

We are off to a strong start in partnering with market leaders and innovators in key target markets

- ✓ Traditional wound care licensee (US & Canada) – Derma Sciences

Future Launches

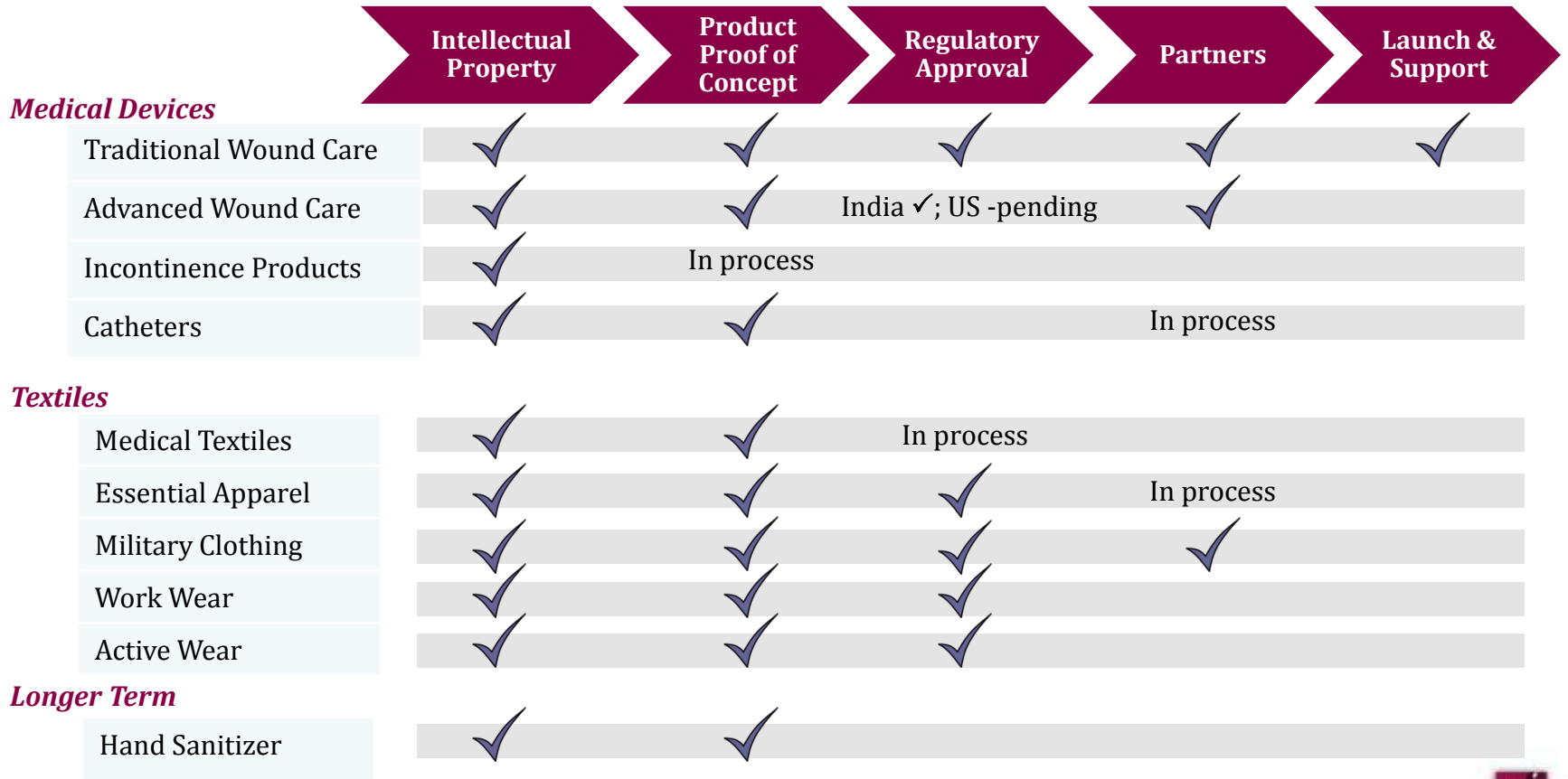
- ✓ Consumer/retail wound care licensee – leading global consumer healthcare company
- ✓ India wound care licensee – Viridis BioPharma
- ✓ Medical adhesives licensee – Avery Dennison
- ✓ Military uniforms

Development Programs

- ✓ Catheters – development completed with Foster/PolyMedex
- ✓ Additional medical device applications in development



Development and Growth Strategy



Long Term End-Market Revenue Opportunity

Example

Wound Care Market	\$14 Billion
% available to antimicrobial tech	20% to 30%
Antimicrobial Opportunity	\$2.8 to \$4.2 Billion
Share held by QMDT partners	20% to 25%
Partners end-market revenue	\$560 to \$1,050 Million
QMDT royalty rates (typical)	3% to 5%
QMDT revenue opportunity	\$17 to \$52 Million



The Quick-Med Opportunity

Technology superiority to capture a significant share of the antimicrobial space in each of several market segments

End Market	Global Market	% Antimicrobial (Penetration Potential)	QMT Revenue Opportunity *
Wound Care	\$ 14 billion	20-30%	\$ 17 – 52 million
Catheters	\$ 13	10-30%	\$ 13 – 39
Incontinence	\$ 2	10-25%	\$ 2 – 5
Medical Textiles	\$ 2	20-30%	\$ 4 – 6
Apparel	\$ 34	5-10%	\$ 17 – 34
<u>Sanitizers</u>	<u>\$ 2</u>	<u>100 %</u>	<u>\$ 100 -200**</u>
Total	\$65 billion	10 – 20 %	\$ 153 – 336 million

* Wound care assumptions per previous slide. Other segments assume commercialization partners with 25% market share and 4% average royalty rate

** Based on a product sale business model and 5-10% market share



Statement of Operations

Recurring royalty and license fees from initial licensee are ramping up.
Additional licensees in pipeline

	Six Months Ended December 31,		Fiscal Year Ended June 30,	
	2011	2010	2011	2010
Revenues				
Royalty and license fees	\$ 201,738	\$ 154,301	\$ 303,256	\$ 174,416
Research and development services	110,000	183,750	243,750	302,500
MultiStat product sales	207,222	294,483	492,572	517,027
	<u>518,960</u>	<u>632,534</u>	<u>1,039,578</u>	<u>993,943</u>
Expenses:				
Cost of product sales	11,366	17,390	23,932	23,370
Research and development	473,653	506,915	1,023,068	1,223,527
General and administrative expenses	531,734	693,980	1,652,570	1,499,866
Licensing and patent expenses	167,911	165,320	323,440	261,536
Depreciation and amortization	32,826	34,467	68,357	70,613
Total operating expenses	<u>1,217,490</u>	<u>1,1418,072</u>	<u>3,091,367</u>	<u>3,078,912</u>
Income (loss) from operations	<u>(698,530)</u>	<u>(785,538)</u>	<u>(2,051,789)</u>	<u>(2,084,969)</u>



Capitalization Table

Capitalization Table as of December 31, 2011

Equity (100,000,000 authorized)	Issued Shares	Conversion or Exercise Price	Fully Diluted
Common Stock	37,246,154		37,246,154
\$6.6 Million - 6% - 8% Senior Secured Convertible Notes due Dec. 2013 and June 2014		\$0.19 - \$0.74	15,459,221
Stock options, Expire between Oct. 2013 and Nov. , 2014		\$0.20 - \$0.77	4,341,115
Warrants, Expire between Jan. 2012 and Nov. , 2014		<u>\$0.20 - \$1.46</u>	<u>958,299</u>
Total	<u>37,246,154</u>		<u>58,004,789</u>



Debt Summary

<u>Short - term note</u>	
Note payable – related party	\$ 247,487
<u>Long - term note</u>	
Senior convertible notes ¹ – related party	\$5,498,494
Senior convertible note ² – Institutional Investor	1,200,830
Senior convertible notes - Others	255,041
Note payable – Officer	<u>86,136</u>
Long - term debt	<u>\$ 7,040,501</u>
Total debt (12/31/11)	<u>\$ 7,287,988</u>

¹ Multiple notes. 6-8% interest rates. Conversion price ranges from \$0.18 - \$0.74 based on stock price at time of the advances were received. Maturity – 12/31/2013

² 8% interest rate. Conversion price = \$0.60 Maturity – 12/31/2013



Investment Highlights

- Unique and cost-effective technology
- Solid patent protection
- Large market opportunities
- Initial regulatory approvals in place (FDA – 2009; EPA – 2011)
- Initial licensees and partnerships in place
- Growing market recognition of competition's shortcomings
- High margin business model, recurring revenue stream with low infrastructure needs
- Outstanding scientific team



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***Developing Next Generation
Antimicrobial Technologies***