

September 30, 2024



Perimeter Medical Imaging AI Announces Closing of Non-Brokered Private Placement

TORONTO and DALLAS, Sept. 30, 2024 /CNW/ - Perimeter Medical Imaging AI, Inc. (TSXV: PINK) (OTC: PYNKF) ("Perimeter" or the "Company"), a commercial-stage medical technology company, is pleased to announce the closing of its non-brokered private placement of common shares in the capital of the Company ("Common Shares") announced on September 10, 2024 (the "Offering").

The Company issued 23,470,560 Common Shares at a price of \$0.42 per Common Share, for gross proceeds of \$9,857,635. Additionally, the Company may complete one or more additional closings, for aggregate gross proceeds (together with the proceeds raised under the initial closing) of up to approximately \$13.5 million. All dollar figures are quoted in Canadian dollars.

"We greatly appreciate the continued support and confidence shown by our investors that participated in this Offering," said Adrian Mendes, Perimeter's Chief Executive Officer. "The proceeds from the financing will help us to continue driving U.S. commercial adoption of our first FDA-cleared product, Perimeter S-Series OCT, while we also advance our next-generation Perimeter B-Series OCT system, which combines propriety AI technology with OCT, toward potential commercialization in the United States."

Chamath Palihapitiya, CEO of SC Master Holdings LLC ("Social Capital"), Perimeter's single largest shareholder and the lead investor in the Offering, said, "Surgeons have worked for years to innovate every step in the diagnosis and treatment plan for their cancer patients, with the goal of improving survivability and quality of life. Yet, intraoperative margin assessment remains one of their most pressing problems. We are pleased to continue to support Perimeter, with the hope that combining its ground-breaking OCT technology with a surgeon's decision making in the operating room can offer invaluable peace of mind; both to the surgeon, who no matter how skilled, currently faces nearly one-in-five odds of needing to perform repeat surgery due to positive margins; and to their patient, who under the current treatment pathway, typically needs to wait (and worry) for two-to-seven days for their surgeon to receive a post-op pathology report which will determine whether they will have to go through the emotional and physical trauma of a second surgery due to cancer left behind."

Rocco Schiralli, one of Perimeter's early individual investors and a participant in the Offering, stated, "I am very pleased to be associated with a company, like Perimeter, whose innovative OCT products have real potential to make an important contribution to Women's Health, particularly for those undergoing breast-conserving surgeries."

Related to the investment by Social Capital in the Company, the parties have entered into an amendment to their Investor Rights Agreement, pursuant to which Social Capital has been

provided with the right, subject to certain ownership thresholds, to nominate up to two (2) individuals for appointment to the board of directors of the Company.

The net proceeds of the Offering will be used for working capital, commercialization of Perimeter's technology, clinical studies and the further development of Perimeter's technology, and general corporate purposes.

The securities issued pursuant to Offering will be subject to a hold period of four months plus a day.

The Common Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities referenced in this press release, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Social Capital, a control person of the Company purchased a total of 14,507,453 Common Shares under the Offering. In addition: (i) Sara Brien, the Chief Financial Officer of the Company, purchased a total of 64,350 Common Shares under the Offering; and (ii) an associated entity of Ian Mortimer, a director of the Company, purchased a total of 200,000 Common Shares under the Offering. The Company expects that certain additional directors and officers will participate in future closings of the Offering. The placement to such persons constituted a "related party transaction" within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the placement as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved the related parties, exceeded 25% of the Company's market capitalization (as determined under MI 61-101). The Company has not filed a material change report more than 21 days before the expected closing of the Offering as the details of the Offering and the participants thereof have not yet been finalized.

Early Warning Disclosure

In accordance with the requirements of National Instrument 62-103, Social Capital announces that it has filed an early warning report related to its acquisition of 14,507,453 Common Shares under the Offering for a total purchase price of \$6,093,130. Prior to the Offering, Social Capital owned 14,466,667 Common Shares and 14,466,667 warrants to purchase Common Shares ("Warrants"), which represented approximately 22.2% of the then Common Shares outstanding on an undiluted basis and 35.5% on a partially diluted basis, assuming the exercise of the 14,466,667 Warrants. Following the closing of the Offering, Social Capital now owns 28,974,120 Common Shares and 14,466,667 Warrants, representing approximately 32.7% of the Common Shares outstanding on an undiluted and 41.4% on a partially diluted basis, assuming the exercise of the 14,466,667 Warrants. Social Capital acquired the Common Shares for investment purposes. In the future, Social Capital will evaluate its investment in the Company from time to time and may, based on such

evaluation, market conditions and other circumstances, increase or decrease his shareholdings as circumstances require through market transactions, private agreements, or otherwise.

In addition, Rocco Schiralli acquired 8,043,757 Common Shares under the Offering. Prior to the Offering, Mr. Schiralli owned 3,819,786 Common Shares, which represented approximately 5.9% of the then Common Shares outstanding on an undiluted basis. Following the closing of the Offering, Mr. Schiralli now owns 11,863,543 Common Shares, representing approximately 13.4% of the Common Shares outstanding on an undiluted basis. Mr. Schiralli acquired the Common Shares for investment purposes. In the future, Mr. Schiralli will evaluate his investment in the Company from time to time and may, based on such evaluation, market conditions and other circumstances, increase or decrease his shareholdings as circumstances require through market transactions, private agreements, or otherwise.

A copy of the early warning reports filed by Social Capital and Mr. Schiralli may be obtained under the Company's profile on SEDAR+ at www.sedarplus.ca.

About Perimeter Medical Imaging AI, Inc.

Based in Toronto, Canada and Dallas, Texas, [Perimeter Medical Imaging AI](#) (TSX-V: PINK) (OTC: PYNKF) is a medical technology company driven to transform cancer surgery with ultra-high-resolution, real-time, advanced imaging tools to address areas of high unmet medical need. Available across the U.S., our FDA-cleared Perimeter S-Series OCT system provides real-time, cross-sectional visualization of excised tissues at the cellular level. The breakthrough-device-designated investigational Perimeter B-Series OCT with ImgAssist AI represents our next-generation artificial intelligence technology that is currently being evaluated in a pivotal clinical trial, with support from a grant of up to US\$7.4 million awarded by the Cancer Prevention and Research Institute of Texas. The company's ticker symbol "PINK" is a reference to the pink ribbons used during Breast Cancer Awareness Month.

Perimeter B-Series OCT is limited by U.S. law to investigational use and not available for sale in the United States. Perimeter S-Series OCT has 510(k) clearance under a general indication and has not been evaluated by the U.S. FDA specifically for use in breast tissue, breast cancer, other types of cancer, margin evaluation, and reducing re-excision rates. The safety and effectiveness of these uses has not been established. For more information, please visit www.perimetermed.com/disclosures.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release contains statements that constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. In this news release, words such as "may," "would," "could," "will," "likely," "believe," "expect," "anticipate," "intend," "plan," "estimate," and similar words and the negative form thereof are used to identify forward-looking statements. Forward-looking information may relate to management's future outlook and anticipated events or results and may include statements or information regarding the

future financial position, business strategy and strategic goals, competitive conditions, research and development activities, projected costs and capital expenditures, research and clinical testing outcomes, taxes and plans and objectives of, or involving, Perimeter. Without limitation, information regarding the expected size of the Offering, the use of proceeds of the Offering, the jurisdictions in which the Units will be offered or sold, the number of Common Shares offered or sold, the ability of Perimeter to close the Offering on terms announced (if at all), the timing and ability of Perimeter to satisfy the customary listing conditions of the TSX Venture Exchange (if at all) and the investment intentions of Social Capital, are forward-looking information. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, any particular result will be achieved. No assurance can be given that any events anticipated by the forward-looking information will transpire or occur. Forward-looking information is based on information available at the time and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties, assumptions, and other unpredictable factors, many of which are beyond Perimeter's control. Such forward-looking statements reflect Perimeter's current view with respect to future events, but are inherently subject to significant medical, scientific, business, economic, competitive, political, and social uncertainties and contingencies. In making forward-looking statements, Perimeter may make various material assumptions, including but not limited to (i) the accuracy of Perimeter's financial projections; (ii) obtaining positive results from trials; (iii) obtaining necessary regulatory approvals; and (iv) general business, market, and economic conditions. Further risks, uncertainties and assumptions include, but are not limited to, those applicable to Perimeter and described in Perimeter's Management Discussion and Analysis for the year ended December 31, 2023, which is available on Perimeter's SEDAR+ profile at <https://www.sedarplus.ca>, and could cause actual events or results to differ materially from those projected in any forward-looking statements. Perimeter does not intend, nor does Perimeter undertake any obligation, to update or revise any forward-looking information contained in this news release to reflect subsequent information, events, or circumstances or otherwise, except if required by applicable laws.

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