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bioAffinity Technologies Announces Closing of $5,000,000 Convertible Note Financing

SAN ANTONIO--(BUSINESS WIRE)-- bioAffinity Technologies, a privately held biotech company, today announced it has closed a non-brokered, secured convertible note ("Note") financing for proceeds of $5,000,000.00 (the "Offering"). The proceeds from the Note are funding operations to advance the Company's non-invasive CyPath® Lung cancer test and therapeutic research and development of novel drug candidates for the selective treatment of multiple cancers.

"We are extremely pleased by the response from accredited investors to this Offering which recognizes the importance of both our early-stage lung cancer test and our therapeutic initiatives focused on advancing drug candidates to selectively kill cancer," said bioAffinity President and Chief Executive Officer Maria Zannes. "We expect to convert the Notes into our next class of equity securities which we anticipate will be a Preferred Series B raise to fund commercialization of CyPath® Lung and other cancer and lung diagnostics, as well as the further development of breakthrough therapeutic platforms in the fight against cancer."

The Notes were offered and sold only to accredited investors in reliance on Regulation D under the U.S. Securities Act of 1933, as amended.

The Company's first product, CyPath® Lung, is a flow-cytometric test to aid in the diagnosis of lung cancer. Patients collect sputum samples non-invasively at home and ship them overnight to the laboratory for processing. Sample data is acquired by flow cytometry. Using automated analysis of pre-set parameters, CyPath® Lung profiles the lung environment including the presence of cancer cells. Data acquisition and physician reports can be generated in minutes.

A test validation trial comparing people at high risk for lung cancer to patients with the disease resulted in CyPath® Lung specificity of 88% and sensitivity of 82%, similar to far more invasive procedures and surgery currently used to diagnose lung cancer. CyPath® Lung is a well-balanced, highly accurate test.

CyPath® Lung has been licensed by Precision Pathology Services, a CAP/CLIA laboratory in San Antonio, Texas. Precision Pathology Services anticipates certification and sale of CyPath® Lung in 2020 as a Laboratory Developed Test (LDT). Following its certification as an LDT, physicians will order CyPath® Lung for their patients who are smokers and former smokers at high risk for lung cancer and who receive a positive screening result or otherwise are suspected of having the disease.

People who have smoked the equivalent of one pack of cigarettes a day for 30 years or more, have not quit smoking in the past 15 years and are 55-80 years of age are recommended for annual screening by low dose computed tomography (LDCT). Screening by LDCT has been proven to detect lung cancer at earlier stages when it can be successfully treated, but screening has a low Positive Predictive Value (PPV) that can lead to unnecessary and risky procedures.

Using CyPath® Lung after a positive LDCT screen can improve the PPV by 5.6-fold compared to LDCT alone. Early diagnosis of lung cancer followed by treatment has been shown to increase the 10-year survival rate of the disease to 88% from the present 5-year survival rate of 21.7%.

About bioAffinity Technologies, Inc.

bioAffinity Technologies, Inc. (www.bioaffinitytech.com) is a privately held company addressing the significant unmet need for non-invasive, early-stage cancer diagnosis and treatment. The Company develops proprietary in-vitro diagnostic tests and targeted cancer therapeutics using breakthrough technology that preferentially targets cancer cells. Research and optimization of its platform technology are conducted in bioAffinity Technologies' laboratories at the University of Texas San Antonio. The Company's platform technology is being developed to diagnose, monitor and treat many cancers.

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