

PURE Bioscience, Inc.

DELIVERING SUPERIOR FOOD SAFETY SOLUTIONS

Corporate Presentation
December, 2018



(OTCQB: PURE)



Forward-looking Statements

Any statements contained in this presentation that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements inherently involve risks and uncertainties that could cause our actual results to differ materially from any forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, the Company's failure to implement or otherwise achieve the benefits of its proposed business initiatives and plans; acceptance of the Company's current and future products and services in the marketplace, including the Company's ability to convert successful evaluations and tests for PURE Control into customer orders and customers continuing to place product orders as expected and to expand their use of the Company's products and Taylor Farms' willingness to continue to roll out PURE Control throughout its US processing plants; the ability of the Company to develop effective new products and receive required regulatory approvals for such products, including the required data and regulatory approvals required to use its SDC-based technology as a direct food contact processing aid in raw meat processing and to expand its use in OLR poultry processing; competitive factors, including customer acceptance of the Company's SDC-based products that are typically more expensive than existing treatment chemicals; dependence upon third-party vendors, including to manufacture its products; the Company's ability to raise additional funds to support its operations; and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission (the SEC), including its Form 10-K for the fiscal year ended July 31, 2018 and Form 10-Q for the third fiscal quarter ended April 30, 2018. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this release.

Problem: Foodborne Illness Outbreaks on the Rise

The Washington Post

**Romaine Lettuce is Not Safe to Eat,
CDC Warns U.S. Consumers**

**Food
SafetyTech**

**ConAgra Subsidiary Slapped with Largest
Criminal Fine Ever in Food Safety Case**


TODAY

**Norovirus Outbreak:
Why It's Easy to Catch and Hard to Get Rid Of**

CNN

***Listeria* Prompts Recall of 42 Brands
of Frozen Fruits & Veggies**

The New York Times

***E. Coli* Outbreak Tied to Romaine Lettuce
Expands to 16 States**

DAILY NEWS
NYDailyNews.com

**Dole Withdraws Packaged Salads After *Listeria* Outbreak
Spreads to Six States, Killing 1 Person**

TIME

**28 Years for *Salmonella*: Peanut Exec.
Gets Groundbreaking Sentence**

Additional Market Drivers

Increasing Regulatory Requirements



Food Safety Modernization Act (FSMA)

- Preventive controls implementation
- Increased verification/validation
- Sanitary food transportation rules

USDA *Salmonella* Action Plan

- Today 25%+ of raw poultry sold to consumers is contaminated with *Salmonella*
- New 'maximum acceptable' standard reduced to 15%
- USDA est. 63% of the 200+ processing plants are presently out of compliance

Dept. of Justice and FDA

- Recently increased efforts to conduct criminal investigations in foodborne illness outbreaks

Overview: Products / Customers

Two Products Now Being Sold



- Produce – Taylor Farms purchasing; 10 others testing or evaluating
- Poultry – 2 processors undergoing in-house validation testing



- Restaurants – users include Chipotle, SUBWAY®, The Cheesecake Factory and other national chains
- Manufacturers/processors – 85+ users including Del Monte®
- Food transportation solution – expanding initial orders



SDC: Revolutionizing Food Safety

Superior, broad spectrum, non-toxic antimicrobial disinfectant and processing aids based on patented SDC (silver dihydrogen citrate)



- FDA & USDA approved for direct food contact
 - Fresh Produce Processing
 - Raw Poultry Processing
- Dramatic reductions in most persistent pathogens vs. the competition



- EPA registered for disinfecting surfaces that come in contact with food. First new EPA registration in 30+ years.
- Testing: 90%+ improvement in pathogen reduction on surfaces vs. incumbent products

Nothing will totally eliminate foodborne illness (or those pathogens), but SDC-based PURE Control® and PURE® Hard Surface are the leading edge solutions for the food industry to meet this challenge

Investment Opportunity

- **SDC = Disruptive Technology**

- **Multiple Large Markets**

- **PURE Control®:** Revenue target \$60M+ US produce and poultry processing
 - Taylor Farms ordering
 - Margins low 50%
- **PURE® Hard Surface:** Revenue target \$100M+ US market
 - Current \$2M+/year annual revenue run-rate
 - Margins high 40%

- **Customers With Unmet Needs**

- **Competitive Barriers**

- 12 US Patents (extending to 2030)
- Unique EPA Registration and FDA & USDA Approvals



PURE Control –

Applied Directly Onto Food During Processing

PRODUCE: **First customer Taylor Farms (leading produce processor)**, used as a new processing step for added protection

- Used on 19 lines in two plants
- Phased rollout to Taylor Farms' 14 plant processing network
- Est. \$1M+ annual revenue per processing plant
- Taylor recently introduced **SmartWash Boost** process, a combination of PURE Control and Taylor's SmartWash®, for superior pathogen reduction (<https://youtu.be/tZ0tLy4DKOs>)

Targeted customers include:

- | | |
|-------------------------|--------------------|
| • Ready Pac Foods, Inc. | • Fresh Express |
| • Simplot Food Group | • Del Monte |
| • Dole Food Co., Inc. | • Sysco FreshPoint |
| • Reser's Fine Foods | • Church Brothers |



PURE Control –

POULTRY: USDA Approved for Pre-OLR and Post-Chill (Parts) Processing *(Commercialization underway – ongoing validation work with poultry processors)*

- ❖ \$250M+ annual US poultry parts processing aids market
- ❖ Top 6 processors control nearly 50% of the poultry market
- ❖ Est. \$1M+ revenue per year/per processing plant

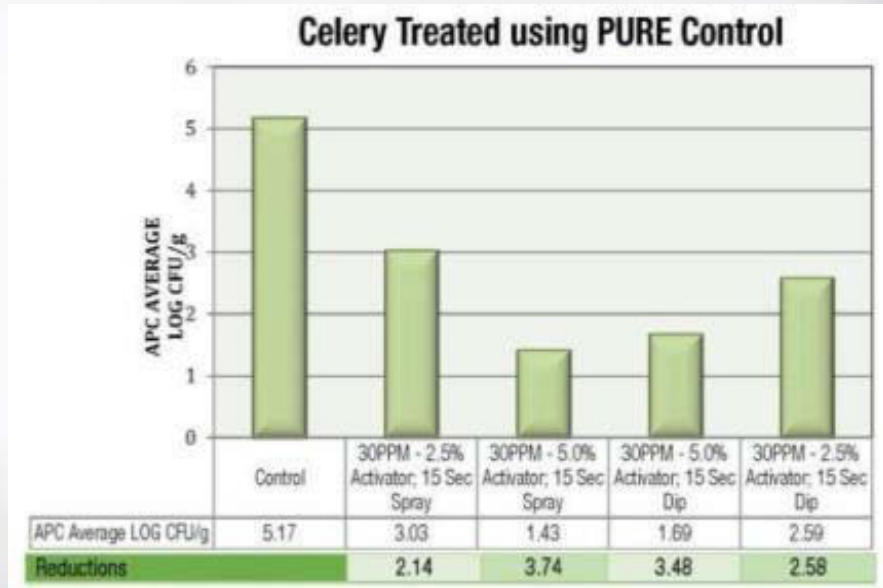
Initial target customers for Poultry Processing include:

- Tyson Foods
- Pilgrim's Pride
- Perdue Farms
- Foster Farms
- Wayne Farms
- Koch Foods
- Amick Farms
- Pecos Foods



Produce & Poultry – Dramatic Pathogen Reductions

Produce Processors Seek a 1 Log
(10x) Reduction; Celery Test Achieved
+3.5 Log (+1000x) Reduction

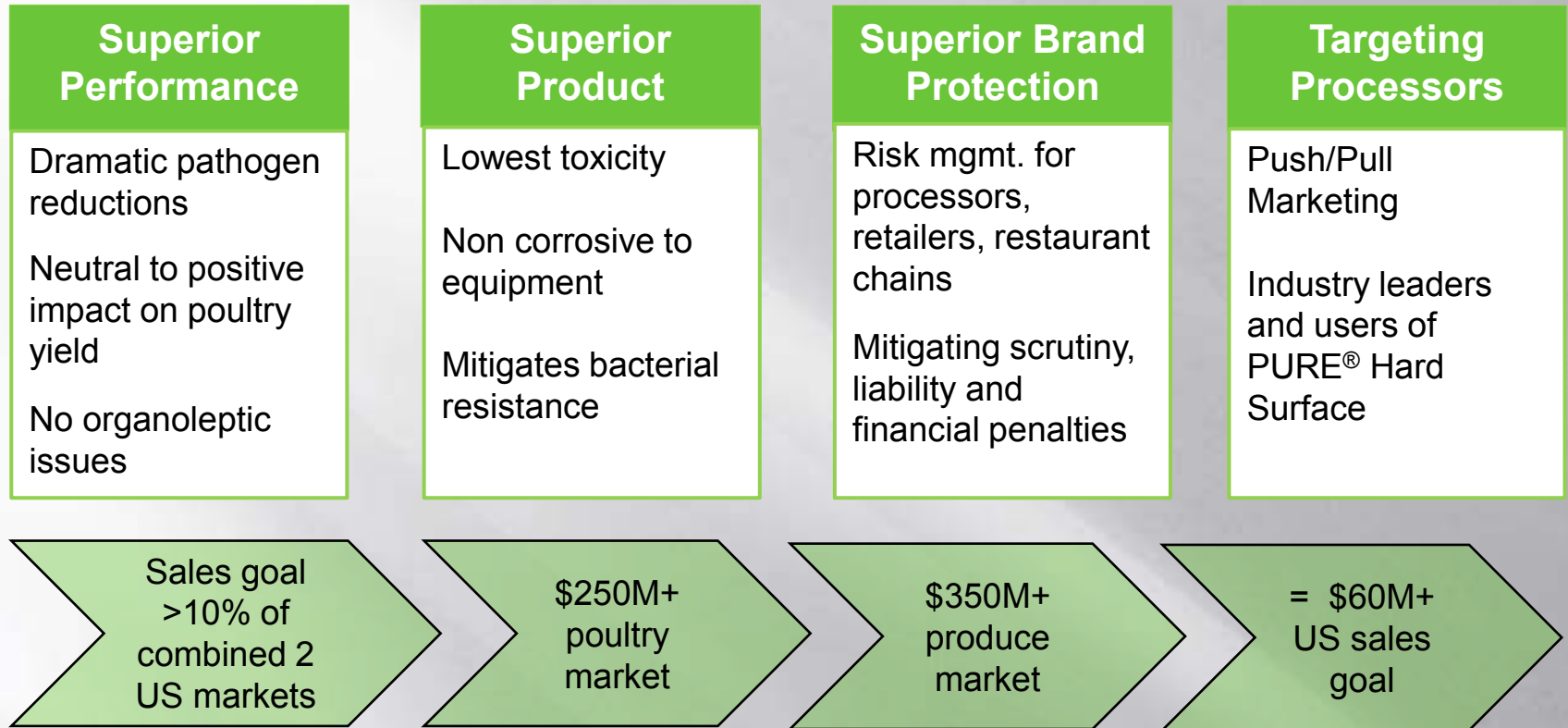


Poultry Processing - *Salmonella*
Reduced To Nearly Undetectable
Levels



PURE Control - Produce and Poultry Processing

Advantages + Commercialization



- Each customer to conduct in-house validation/optimization testing
- Sales cycle shortens w/ validation and adoption by market leaders
- Sales cycle for poultry expected to be shorter than produce sales cycle

PURE Hard Surface – Restaurant Chains

Applied to Surfaces Which Come in Contact With Food;
Replaces Less Effective and Toxic Legacy Products;
Uniquely Effective for Norovirus Elimination/Prevention



- Adopted by Chipotle Mexican Grill in all 2,250 store locations nationwide
- Used both in the front & back of the restaurant as part of new 'Enhanced Restaurant Food Safety Procedures'

...in use at National Restaurant Chains

- Adopted by SUBWAY® Restaurants; additional applications pending
- Adopted by The Cheesecake Factory; 2 additional national QSR and casual dining chains
- 3 additional chains evaluating

PURE Hard Surface –

Processors / Manufacturers

Applied to Plant and Equipment Surfaces; Environmental Misting -
Replaces Less Effective, Toxic Legacy Products

Growing Adoption

- Used by 85 national food processors/manufacturers
- Superior *Listeria* eradication

Sales Pipeline

- \$25-\$40M revenue potential
- 50+ national companies

Customers

- Bakeries
- Ready To Eat Foods
- Pet Foods
- Tortillas
- Cheese & Dairy
- Meats, Poultry, & Produce

PURE Hard Surface

Food Transportation Sanitization

Solution Addresses Est. \$50M US Market

Compliant With Food Safety Modernization Act (FSMA) Rules

- Received orders from one of the largest food transportation companies. System-wide rollout plan underway - est. \$2-\$3m annual revenue stream.
- Superior, non-toxic disinfection in less than $\frac{1}{4}$ of the time of existing treatments.
- Unique, patent pending misting unit; protects all surfaces *and* refrigeration units; reduces labor *and* water usage.



PURE Hard Surface –

New Market (In Testing) – Poultry Breeder Barn and Hatchery Sanitization

Objective: Optimize pathogen free environment (reduce cross-contamination risk) for egg laying, hatching and growing birds; lowering mortality rates and ensuring cleaner birds entering processing.

- **Breeder Farm:** mist breeding house, egg collection room, drains, nest/chute area, egg conveyor belt
- **Hatchery:** mist egg receiving room, egg racks, drains, incubators, chick staging areas
- **Egg and chick transport equipment sanitization**
- Air handling equipment and duct works sanitized throughout
- Effective in controlling yeast and mold
- Replacing Quats, chlorine, PAA, etc.

Experienced Leadership Team

Hank Lambert, President and CEO

- *35+ years food industry/consumer products/food safety experience as executive driving revenues/earnings with Heublein, RJ Reynolds, Nabisco, Pinnacle Foods, Underwriters Laboratories*

Mark Elliott, VP Finance

- *10+ years of financial accounting and management leadership as Controller for PURE*

Tom Myers, COO

- *40+ years marketing and R&D leadership in food science and processing industries*

Dolana Blount, VP, Technology Development and Regulatory Affairs

- *30+ years as microbiologist with PURE includes extensive background in compliance and regulatory affairs, new product development, quality assurance (QA) and protocol development*



Board of Directors

Hank Lambert, President and CEO

Elisabeth Hagen, M.D.

- *Former USDA Under Secretary for Food Safety; Leading independent food safety consultant*

Janet Risi

- *President and CEO of Independent Purchasing Cooperative, Inc.*

Gary Cohee

- *President and CEO, PMB Securities Corp.*

Tom Lee, CPA

- *Chairman and CEO of Swabplus, Inc.*

Ivan Chen

- *Corporate Counsel – Pacific Dental Services, LLC*

Scientific Advisory Board

James L. Marsden, Ph.D. – Chairman, PURE Scientific Advisory Board

- *Executive Director of Food Safety at Chipotle Mexican Grill*
- *Emeritus Distinguished Professor of Food Safety and Security, Kansas State University*

Licensing Platform Technology

Continue to Out-License SDC to Partners in Non-Food Markets

Current non-exclusive licensees include:



Personal care
products
outside of the
United States



Institutional,
janitorial,
sanitation,
medical facilities,
cruise lines



Disinfection
of dental rinse
water for
patients

Financial Overview (FYE July 31)

Adequate working capital to:

Accelerate commercialization of SDC as a food safety solution

Support operations through fiscal Q2 '19

Common stock (as of 7/31/18)

68 Million Basic

80 Million Fully Diluted

No long-term debt
No preferred stock

Fiscal Period Ended	7/31/18 F Yr End	7/31/17 F Yr End
Net Product Sales*	\$1,774,000	\$1,831,000
Net Loss Per Share	\$(0.11)	\$(0.10)
Cash	\$850K	\$1.6M

** Current annualized revenue run rate \$2M+ excludes future revenues from PURE Control*

Milestones for Success *(Fiscal 2019)*

PURE Control

- Fresh Produce Processing – Expansion by Taylor, market penetration; add new customers
- Raw Poultry Processing – Complete testing and commercialize for pre-OLR and post chill (parts processing) uses

PURE Hard Surface

- Continue building traction in current markets
- Build on launch of food transportation truck solution (ultimate goal 10% market penetration)
- Supply 4 new national restaurant chains
- Grow # of existing national food manufacturers/processors to 125
- Complete testing and commercialize for poultry breeder barns and hatcheries

Continued Licensing

- PURE products distribution and SDC technology for non-food applications

Cash Flow Breakeven

- Q1 calendar 2019 annualized revenue run rate of \$6M to achieve cash flow breakeven

Revolutionizing Food Safety With SDC

One of the Most Powerful Antimicrobials in the Industry

PURE Bioscience, Inc.

Hank Lambert, CEO

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Investor Contact

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PURE GENIUS

REVOLUTIONIZING FOOD SAFETY

A PURE NECESSITY FOR FOOD PROCESSING AND FOOD SAFETY!

Our family of products is based on our patented **Silver Dihydrogen Citrate** molecule. SDC has revolutionized food safety because it is one of the most powerful antimicrobials offering low-toxicity and user friendly solutions. Our products quickly eliminate dangerous pathogens in food processing and preparation facilities.

- PURE® Hard Surface: EPA registered food contact surface sanitizer and disinfectant—Superior efficacy with 24 hour residual protection
- NEW! PURE Control®: FDA & USDA Approved processing aid for poultry and produce
- PURE® Multi-Purpose and PURE® Hi-Foam Cleaners: Environmentally friendly concentrated cleaners

PURE Control was developed as an antimicrobial processing aid for direct application to poultry carcasses, parts and organs, fruits and vegetables to reduce pathogen populations. Our environmentally friendly formula maximizes microbial control and is highly effective against *Salmonella*, *Listeria*, *E. coli* and many other microorganisms. PURE Control offers superior efficacy with neutral to positive effect on yield, making it the ideal solution for your poultry and produce processing needs.

FOR CONSULTATION AND EVALUATION, CALL
619.596.0600 OR EMAIL SALES@PUREBIO.COM



pure
CONTROL



Preventing the smallest things from
damaging your biggest asset... your brand!



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