To Create and Deliver the New Standard of Care in Sterile Reprocessing™
The statements contained in this presentation and oral statements made by representatives of TSO3 Inc. (“Company”) relating to matters that are not historical facts are forward-looking statements that involve certain risks, uncertainties and hypotheses, including, but not limited to, general business and economic conditions, the ability of the Company to obtain the required regulatory clearance to market its products on a worldwide basis, the outcome of patent applications, the condition of the financial markets, the ability of the Company to obtain financing on favorable terms and other risks and uncertainties.

Risks and uncertainties about the Company’s business are more fully discussed in the disclosure materials filed with the securities regulatory authorities in Canada, which are available on SEDAR under the issuer profile of the Company at www.sedar.com. You are urged to read these materials.

Although management of the Company believes that the conclusions, estimates or projections reflected in such forward-looking information are reasonable and represent the Company’s conclusions, estimates or projections at this time, such information involves unknown risks and uncertainties which may cause the Company’s actual results to differ materially from the Company’s conclusions, estimates or projections expressed or implied by such forward-looking information. You are cautioned not to place undue reliance on these forward-looking statements. Except as required by law, we do not undertake to update any forward-looking statement.

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All Dollars in USD, unless noted otherwise.
To Create and Deliver The New Standard of Care In Sterile Reprocessing™

A Sterile Device for Every Procedure
Major Milestones  Laying Foundation for Growth

1998 - 2008
• Founded
• HQ: Québec City, Canada
• IPO (TSX: TOS)

2009-2014
• Product redesign
• Introduced STERIZONE® 125L+ and STERIZONE® VP4 Sterilizers
• Canadian hospital installations
• Initial FDA clearance received December 2014

2015
• Exclusive distribution agreement with Getinge - $7.5M in cash + performance minimums
• P.O. received for all of 2016
• Extended claims in Canada and Europe

2016
• Shipped 110 STERIZONE® VP4 Sterilizers to Getinge
• P.O. Received for 2017
• Record revenues and assembly capacity
• Extended FDA claims to include colonoscopes and other long flexible endoscopes
• Launched Strategic Partner Facility Program

2017
• TTM Revenue of $17.7M¹
• $16.1M in cash¹
• Submitted FDA duodenoscope claims
• Featured in Peer Review Papers
• Installations in Major Hospitals
• Reference Customers

¹ In USD. As at September 30, 2017. Cash reflects cash, cash equivalents and short and long term investments.
TTM means trailing twelve months.
Global Market Opportunity

United States
• ~ 10,000 Hospitals and Ambulatory Surgery Centers¹
• ~ 48 million annual procedures¹
• ~ 15 million colonoscopies performed annually²
• > 500,000 endoscopic retrograde cholangiopancreatographies (ERCP Procedures) performed annually³

Canada
• ~ 1,400 Hospitals⁴
• ~ 2.4 million annual procedures⁵

Europe
• ~ 15,000 Hospitals⁶
• ~ 54 million annual procedures⁵

¹ The American Hospital Association, US Dept. of Health and Human Services, ² Centers for Disease Control and Prevention ³ US Food & Drug Administration ⁴ Statistica.com ⁵ The Lancet ⁶ Eurostat
STERIZONE® VP4 Sterilizer

Advantages

• Single cycle – easy, error-free cycle selection
• Mixed load sterilization
• Up to 75 lb in a single load
• Flexible Endoscope Clearance

Proprietary Consumables

(Razor/Razorblade Model)
• 125-280 Solution™ ($\text{H}_2\text{O}_2$)
• STERIZONE® BI+ / Test Pack advanced process monitoring
1. Insert Room Temperature Instruments Into a Warm Chamber
2. Create a Vacuum and Inject Small Amounts of Vapourized Heated Sterilant Over Time
3. Micro Condensation Forms on the Instruments

**Dynamic Sterilant Delivery System™**

![Graph showing chamber pressure vs. molar fraction with theoretical and empirical convergence points.]

**Dual Sterilants**

- $\text{H}_2\text{O}_2$
- Small Quantity of $\text{O}_3$ (Ozone)
- Hydroxyl Radical Event
Health Care Procedures

Millions of Surgical and Diagnostic Procedures Each Year

Surgical – OR Support
- $6b+ Sterilization Existing Market
- Growing Low Temperature Component

Diagnostic – GI
- 50m+ Procedures/year
- No sterilization for most

1) Market and Market, December 2016  2) Becker’s GI & Endoscopy “35 Statistics About GI/Endoscopy”
Aging Population – Driving Growth in MIS

Driving Growth in MI Surgeries and Endoscopies
Growth in U.S. Population Age Groups 65+¹

Minimally Invasive Surgery (MIS)
• Effective
• Faster Recovery
• More profitable

Over 65 Years Old
88% of ophthalmology surgeries
70% of cardiothoracic surgeries
65% of urology surgeries
60% of general surgeries²

A Better Solution for OR Support

Old Technology

- 20+ year-old core technology
- Single sterilant
- Fixed delivery
- Small loads
- Segregated loads
- Expensive
- Time consuming
- Multiple cycle operator selection required

TSO₃ Next Generation Technology

- Simple Single Cycle Operation
- Large Loads
- Mixed Loads
- Lower Cost
- Lower Risk
- Higher Throughput
- Ability to Process Full Instrument Sets

~30,000 unit opportunity¹

Larger, Mixed Loads

Competition

Sterrad® 100NX®

V-PRO® Max

VS

STERIZONE® VP4 Sterilizer
Health Care Procedures

Millions of Surgical and Diagnostic Procedures Each Year

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Diagnostic – GI
• 50m+ Procedures/year²
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¹Market and Market, December 2016  ²Becker's GI & Endoscopy “35 Statistics About GI/Endoscopy”
Modernizing GI Endoscope Reprocessing

Old

STERIZONE® VP4 Sterilizer

TSO₃
How Change Happens

Patient and Medical Facility Demand

- Patient Safety
- Litigation
- Cost Reduction

Technology Advancement

- STERIZONE® VP4 Sterilizer

Regulatory Change

- FDA Regulation Advancement
- Industry Dialogue and Guidelines

= Market Change
### Spaulding Classification

<table>
<thead>
<tr>
<th>Body Contact</th>
<th>Reprocessing Requirements</th>
<th>FDA Device Class: Today</th>
<th>FDA Device Class: Signaled</th>
</tr>
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<tbody>
<tr>
<td>Sterile Body Cavity</td>
<td>Sterilization</td>
<td>Critical</td>
<td>Critical</td>
</tr>
<tr>
<td>Mucous Membranes</td>
<td>High Level Disinfection</td>
<td>Semi-Critical</td>
<td>Critical?</td>
</tr>
<tr>
<td>Intact Skin</td>
<td>Low Level Disinfection</td>
<td>Non-Critical</td>
<td>Non-Critical</td>
</tr>
</tbody>
</table>

**Margin of safety**

- **Highest**
- **Lowest**
A New Problem: Endoscopes and Superbugs

“Deaths from Drug-Resistant Infections Set to Skyrocket”
Deaths from antimicrobial resistant infections and other causes in 2050¹

<table>
<thead>
<tr>
<th>Condition</th>
<th>Deaths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antimicrobial Resistant Infections</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Cancer</td>
<td>8,200,000</td>
</tr>
<tr>
<td>Diabetes</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Diarrhoal Disease</td>
<td>1,400,000</td>
</tr>
<tr>
<td>Road Traffic Accidents</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Measels</td>
<td>130,000</td>
</tr>
<tr>
<td>Cholera</td>
<td>120,000</td>
</tr>
<tr>
<td>Tetanus</td>
<td>60,000</td>
</tr>
</tbody>
</table>

Two million+ Americans suffer annually from antibiotic-resistant bacteria, aka “Superbugs,” with 23,000 deaths.²

Carbapenem-resistant Enterobacteriaceae (CRE) are resistant to most antibiotics, and 50% of infected patients die.³

CRE infections are linked to endoscopic devices, with seven incidents and two deaths at UCLA Medical Center.⁴

Inadequately-cleaned endoscopes are number one on ECRI Institute Top 10 Health Technology Hazards List.⁵

¹ Statista - Review on Antimicrobial Resistance
² Centers for Disease Control (CDC)
³ CDC Carbapenem-resistant Enterobacteriaceae in Healthcare Settings
⁵ ECRI Institute
**Industry First: FDA Clearance of TSO₃ Endoscope Claims**

The only FDA cleared device validated to sterilize colonoscopes, gastrosopes and other flexible endoscopes up to 3.5m in length and with four or fewer channels.
Duodenoscopes – the point on the spear

Expanded Claims: FDA – Duodenoscopes
• Already cleared in Canada and Europe
• Launched US regulatory filings for duodenoscopes

Market Launch and Awareness
• Duodenoscopes now being terminally sterilized in Western Canada
• Working with other US and Canadian healthcare institutions toward sterilization
• Collaborating with strategic partner hospitals
• Working with US legislators on awareness campaign
Public Awareness

Nation World

“FDA links ‘superbug’ to key medical device.”

“LOS ANGELES — A ‘superbug’ outbreak suspected in the deaths of two Los Angeles hospital patients is raising disturbing questions about the design of a hard-to-clean medical instrument used on more than half a million people in the U.S. every year. At least seven people — two of whom died — have been infected with a potentially lethal, antibiotic-resistant strain of bacteria after undergoing endoscopic procedures at Ronald Reagan UCLA Medical Center... and more than 170 other patients may have been exposed...”

- February 20, 2015

Los Angeles Times

“Jury orders Olympus to pay $6.6 million but rejects claims its medical scopes are unsafe.”

“A jury ordered giant medical scope maker Olympus Corp. to pay a Seattle hospital $6.6 million in damages tied to a deadly superbug outbreak, and told the hospital to pay $1 million to a deceased patient’s family. But jurors on Monday also handed the Tokyo-based manufacturer a key win, rejecting claims that the company’s flagship medical scope was unsafe as designed.”

- July 25, 2017

HealthLeaders Media

“Infection fears prompt Fujifilm Medical Systems Duodenoscopes recall.”

- July 24, 2017

Kaiser Health News

“FDA Faults 12 Hospitals For Failing To Disclose Injuries, Deaths Linked To Medical Devices”

- October 28, 2016
Industry Call-to-Action

“Despite reprocessing in accordance with US guidelines, viable microbes and biologic debris persisted in clinically used [GI] endoscopes, suggesting current reprocessing guidelines are not sufficient to ensure successful decontamination.

“Residual contamination was detected on multiple components after reprocessing colonoscopes and EGDs in accordance with guidelines...viable microbes were recovered from patient-ready endoscopes (i.e., 64% post-HLD, 9% post-storage).”

- American Journal of Infection Control (with Mayo Clinic), 2015

“...Despite adherence to strict guidelines...bacteria can at times remain on these scopes...microbial contamination was detected in 5% of more than 4,000 individual specimens collected after cleaning.”

- Providence Health & Services, Seattle Times, June 2016

“We have to transition to sterilization. That is the only way we’ll eliminate the outbreaks associated with scopes.”

- Dr. William Rutala, APIC Daily News June 2016

“Strong Evidence for Sterilization of Endoscopes Presented at Stakeholder Meeting”

- AAMI, September 2017
<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>2009</td>
<td>VA Officials Get Probed For Using Non-sterile Instruments on Patients</td>
<td>Dirty Endoscopes Raising Alarms for Colonoscopies</td>
<td>Dirty Instruments Lead to Investigation of Seattle Hospital</td>
<td>Nightmare Bacteria And Dirty Scopes - Ignorance And Want in Medicine</td>
<td>An Epidemic Is On the Rise That May Kill More People Each Year Than AIDS</td>
<td>The Effectiveness of Sterilization For Flexible Ureteroscopes: A real-world study</td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
<td>Deadly Bacteria On Medical Scopes Trigger Infections</td>
<td>Number of Scope-Related Infections Higher Than Previously Reported By FDA, Senate Committee Finds</td>
<td>Redesigned Olympus Scopes linked to Superbug Outbreak: 7 Things to Know</td>
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<tr>
<td>2014</td>
<td></td>
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<td></td>
<td>Bacteria Lingers On Medical Scopes Even with Heightened Cleaning</td>
<td>Hospitals Failing to Report Outbreaks Due to Contaminated Scopes</td>
<td>Hospitals Failing to Report Outbreaks Due to Contaminated Scopes</td>
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<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td>Seattle Hospital Sues Olympus Over Superbug Outbreak</td>
<td>Superbug Linked to 2 deaths at UCLA Hospital; 179 potentially Exposed</td>
<td>'Catastrophic Threat': CDC Chief Fears a Deadly Superbug's Spread</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td>FDA Advisory Committee Finds Duodenoscopes Unsafe - Urges For Sterilization</td>
<td>Olympus to Recall and Redesign Medical Scope Linked to Superbug Outbreaks</td>
<td>Carbapenem-Resistant Enterobacteriaceae in Patients From the US Veterans Health Administration</td>
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<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td>Endoscopes Still Contaminated After Cleaning, Study Shows</td>
<td>Why It Took Years For The FDA to Warn About Infections Tied to Medical Scopes</td>
<td>Properly Sterilizing Scopes Still a Challenge, Experts Say</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Potentially Deadly Infections From Endoscopes Underreported</td>
<td>Superbug Infections Must Be Listed On Death Certificate Under Proposed Bill</td>
<td>Strong Evidence for Sterilization of Endoscopes Presented at Stakeholder Meeting</td>
</tr>
</tbody>
</table>
Commercialization

• Getinge Group - Exclusive Global Distributor
  - Global sales and service; 3,000+ associates in 36 countries
  - Paid $7.5 million up-front license fee
  - Minimum annual purchase commitments
  - Launched STERIZONE® VP4 Sterilizer in US, Canada, Europe and other markets
• TSO3 Strategic Partner Facility Program
  - Key industry leaders
  - Data collection, evaluation and sharing
  - Expansion of Internal Sales Support, Marketing and Service Resources
• Growing list of reference customers

"The STERIZONE® VP4 Sterilizer uniquely addresses an unmet global need for cost effective, high throughput sterilization of complex medical devices used in hospital environments."

"Our initial customer experience with the product line has been excellent."

"The STERIZONE® VP4 Sterilizer raises the standards for infection control and patient safety."

November 2015 & July 2016
Next Generation Technology

Extensive Patent Portfolio

Razor/Razorblade Business Model

FDA-cleared Device for Terminal Sterilization of Colonoscopes and other flexible endoscopes

Global Distribution Partner

Growing Sales

Financially Sound
**Key Stats (TSX: TOS) /// All Dollars in USD, Unless Noted Otherwise**

<table>
<thead>
<tr>
<th>Stock Price (11/2/17)</th>
<th>CAD$2.70</th>
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<tr>
<td>52 Week High-Low</td>
<td>CAD$3.73-$2.05</td>
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<tr>
<td>Shares Outstanding (mrq) (no warrants)</td>
<td>92.8M</td>
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<tr>
<td>Average Daily Volume (90 day)</td>
<td>183,766</td>
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<tr>
<td>Market Capitalization</td>
<td>CAD$250M</td>
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<tr>
<td>Institutional Holdings</td>
<td>~34%</td>
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<tr>
<td>Total Revenue (mrq)</td>
<td>$5.1M</td>
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<tr>
<td>Cash and ST Investments (mrq)</td>
<td>$16.1M</td>
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</table>

**Quarterly Revenue Growth**

**US$ Millions**

<table>
<thead>
<tr>
<th></th>
<th>Q3-15</th>
<th>Q4-15</th>
<th>Q1-16</th>
<th>Q2-16</th>
<th>Q3-16</th>
<th>Q4-16</th>
<th>Q1-17</th>
<th>Q2-17</th>
<th>Q3-17</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>$0.9</td>
<td>$0.2</td>
<td>$3.1</td>
<td>$3.0</td>
<td>$3.5</td>
<td>$3.7</td>
<td>$4.2</td>
<td>$4.6</td>
<td>$5.1</td>
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Data sources: Yahoo! Finance, company estimates

(mrq) = most recent quarter at September 30, 2017