StageZero Life Sciences Announces Q3 2019 Progress Update

written by Raj Shah | November 15, 2019

November 15, 2019 (Source) – StageZero Life Sciences, Ltd (TSX:SZLS) ("StageZero" or the "Company") today announced operational results for the three-month period ended September 30, 2019 and provided a progress update on its business.

StageZero has achieved the following milestones to date.

The Company:

- Launched a national consumer marketing campaign through social media and reached over 1.2 Million impressions and captured the interest of over 4400 consumers in just under 3 months
- Added a call center to handle the demand of patient inquiries; hired an eCommerce company to help build a robust telehealth platform with capabilities to process large numbers of patients with ease
- Added the ColonSentry® test to its growing telehealth initiative; consumers around the country can initiate a test for ColonSentry and the Prostate Health Index online
- Purchased new equipment for the lab to run Phase II validation of Aristotle
- Made progress outside of U.S. with Oncore Pharma signing a $40M deal to distribute ColonSentry® in Benelux; continues

to pursue opportunities in Europe
- Experienced a rise in Physician Practice Enrollment; continue to build sales force that can call on practices
- Tests in Q3 approximately 1500

StageZero Life Sciences is scaling-up the Company's telehealth program to meet the growing need for patient access to testing. In an initial direct to consumer marketing campaign, StageZero has garnered 1.2 Million Impressions and thousands of patient inquiries.

"The demand for telehealth services is growing rapidly," said James Howard-Tripp, Chairman and CEO of StageZero Life Sciences. "We need to be able to meet the needs of consumers who are looking to get blood tests online through a telehealth network that can prescribe our tests and follow-up on elevated scores."

According to an American Well 2019 Survey, more than 66% of Americans are willing to use telehealth, and those that do, use it for convenience and saving time.[1]

In addition to growing patient access to testing, StageZero is looking to make the patient experience even easier by building its own seamless and robust telehealth platform. Once the platform is complete, StageZero will significantly increase its investment to attract more consumers.

StageZero's licensing partner, Oncore Pharma, has signed a six-year agreement with BodyCheck NL for the distribution and sale of ColonSentry® throughout the Netherlands, Belgium and Luxembourg (the "Benelux"). The multi-year agreement has a value to StageZero of US$40 million.

Coastal Medical continues to make progress building sales traction among physician practices in the Southeast. StageZero has nearly doubled new physician enrollment from last quarter.

StageZero is also actively pursuing employers and benefit advisors interested in mitigating catastrophic cancer claims in their employee populations. The Company continues to grow its early cancer detection program for firefighters.

“We are excited to see the momentum build with physician practices again,” said Howard-Tripp. “It is indeed a process that takes time to nurture, but we believe it will lead to significantly increased test volume.”

The Company is taking steps to build-out the laboratory for the validation and launch of the Aristotle® test, which can test for 10 cancers from a single blood draw. The lab will be equipped to run both male and female panels. The Company is in touch with several groups who are interested in utilizing the test as a Lab Developed Test while the Company prepares for FDA submission.

Thomas Stewart has resigned from the Board. “Tom is restructuring JTS Health Partners and needs to focus all of his time on his own company,” said Howard-Tripp. “The Board would like to thank him for his considerable time, effort and support of the Company during these past years. It is greatly appreciated, and we wish JTS success in its business endeavors.”

Q3 2019 Financial Results

All amounts are expressed in U.S. dollars unless otherwise stated and results are reported in accordance with International Financial Reporting Standards.

For the three-month period ended September 30, 2019, we reported a consolidated net income of $2.2 million, or $0.01 gain per common share, as compared with a consolidated net loss of $0.7 million, or $0.02 loss per common share, for the same period in 2018. The $2.9 million decreased loss results from the $3.1 million impact of the revaluation of warrants, the $0.2 impact

of the change in fair value of conversion liabilities, offset by a 0.3 increase in general and administrative costs and the $.06 million increase in finance costs, $0.07 decrease in revenues with small change in cost of goods sold.

For the nine-month period ended September 30, 2019, we reported a consolidated net loss of $4.3 million, or $0.02 loss per common share, as compared with a consolidated net loss of $3.9 million, or $0.03 loss per common share, for the same period in 2018. The $0.4 million increased loss results from the $0.3 million impact of the revaluation of warrants, the $0.5 million increase in general and administrative costs $0.2 million increase in finance costs, offset by the $0.5 million decrease in the change in fair value of conversion liabilities and decrease of $0.1 million decrease in cost of goods sold.

The Company's financial statements and management's discussion and analysis are available on www.sedar.com.

About StageZero Life Sciences, Ltd.

StageZero Life Sciences is dedicated to the early detection of cancer and multiple disease states through whole blood. Aristotle®, our next generation test, is a panel for simultaneously screening for 10 cancers from a single sample of blood with high sensitivity and specificity for each cancer. Aristotle is built on our proven and proprietary Sentinel Principle Technology Platform which has been validated on 10,000 patients and used to develop the first liquid biopsy for Colorectal Cancer, with further validation currently underway. In addition to building a pipeline of products for early cancer detection, the Company operates a CAP accredited and CLIA certified reference laboratory based in Richmond, Virginia that offers the ColonSentry® test as well as licensed biomarker tests for lung, breast and prostate cancers. To learn more

visit www.stagezerolifesciences.com.

Forward-Looking Statements

This press release contains forward-looking statements identified by words such as “expects”, “will” and similar expressions, which reflect the Company’s current expectations regarding future events. The forward-looking statements involve risks and uncertainties that could cause the Company’s actual events to differ materially from those projected herein. Investors should consult the Company’s ongoing quarterly filings and annual reports for additional information on risks and uncertainties relating to these forward-looking statements. The reader is cautioned not to rely on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements, except as required by law.

References

1. American Well Telehealth Index: 2019 Consumer Survey