Advanced Medical Isotope Corporation (OTC: ADMD) Target Price: $0.02

We initiate coverage on Advanced Medical Isotope Corporation (OTC: ADMD, "AMI") with a price target of $0.02 per share. Based in Kennewick, WA, AMI is a late stage radiation oncology focused medical device company. AMI is engaged primarily in the development of brachytherapy devices for therapeutic applications for the treatment of cancer. Brachytherapy, which is the process of using radiation to destroy cancerous tumors by placing a radioactive isotope inside or next to the treatment area, represents a growing portion of the multi-billion-dollar market for medical radioisotopes. Indeed, the global market for brachytherapy is expected to grow from $680mn in 2013 to reach $2.4Bn by 2030, according to MEDraysintell Report. AMI's lead product candidate is the Y-90 RadioGel™ device, which represents a novel approach to the therapeutic use of yttrium-90 to treat tumors. AMI management is currently focused on achieving regulatory clearance to market the Y-90 RadioGel™ device in the United States, and believes that it will represent a significant move forward in brachytherapy devices given that it has been optimized for safety, efficiency and scale.

INVESTMENT HIGHLIGHTS

2016 critical for AMI on clinical and corporate development fronts

We see 2016 as a critical time for AMI given that the company is pursuing key strategic initiatives on both the clinical development and corporate development fronts. On the clinical front, AMI is in the process of responding to FDA feedback in order to gain clearance for its Y-90 RadioGel™ device. The company has engaged IsoTherapeutics Group, a third-party radiopharmaceutical R&D company, to provide commercialization support and conduct additional studies as requested by the FDA for the Y-90 RadioGel™ device. We expect the company to provide an update on these activities during the first half of 2016, and believe AMI management is hopeful that it will be able to gain FDA clearance as a class 2 medical device in the next 12-18 months. Concurrently AMI is in the midst of raising capital, with management stating at our Investor Innovations Conference in Miami on February 22, 2016, that it is seeking to uplist shares to a national exchange. To accomplish this goal and advance its clinical program, we estimate that the company would need to raise $5mn -$10mn in new capital over the next two years. We would also expect the company to pursue a reverse split, and potentially a debt conversion, as part of this move, to ensure that it meets the shareholder's equity and minimum bid requirements for a national exchange listing. Clearly a move to a national exchange such as the NYSE MKT or NASDAQ would be a significant accomplishment for the company, and potentially a positive catalyst for shares given the increased liquidity and greater access to institutional investors afforded by a national exchange listing.

Initiate coverage with a price target of $0.02

We are intrigued by the plans put forth by AMI management for the next 12-18 months, with several potential developments on the corporate and clinical fronts. We see AMI as a high risk, high potential reward speculative situation in the Healthcare sector. While we acknowledge the risks that lie ahead of the company include uncertainty as it seeks to move forward with a recapitalization and awaits FDA feedback as to whether it can proceed as a class 2 device, we are encouraged by the expectation that AMI should be able to provide meaningful progress updates on its clinical pathway with the FDA as well as new funding goals within the next twelve months, in addition to a new initiative focused on leveraging its products in the veterinary market – which should have a much faster time to market than the Y-90 RadioGem™ device.

Stock Details 3/18/2016)

OTC:	ADMD
Sector / Industry	Healthcare / Medical Devices
Price target	**$0.02**
Recent share price	$0.00
Basic Shares o/s (Bn)	2.0
Pref. Stock Shares (Bn)	1.8
Market cap (in $mn)	6.5
52-week high/low	$0.01 / $0.00

Source: Bloomberg, SeeThruEquity Research

Key Financials ($mn unless specified)

	FY14A	FY15E	FY16E
Revenues	0.0	0.0	0.0
EBITDA	(1.9)	(1.2)	(1.5)
EBIT	(2.0)	(1.2)	(1.5)
Net income	(18.1)	3.3	(3.5)
EPS ($)	(0.06)	0.00	(0.00)

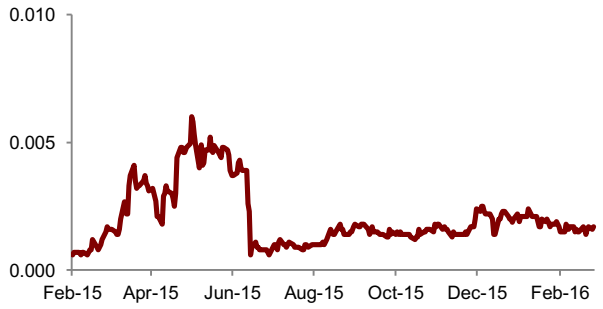
Source: SeeThruEquity Research; estimates in $ unless noted

Key Ratios

	FY14A	FY15A	FY16E
Gross margin (%)	95.4%	95.9%	87.5%
Operating margin (%)	-8,108.9%	-3,457.9%	-3,049.6%
Net margin (%)	-75,114.4%	9,189.7%	-7,216.3%
P/Revenue (x)	268.0	178.9	134.6
EV/EBITDA (x)	NM	NM	NM
EV/Revenue (x)	409.4	273.3	205.6

Source: SeeThruEquity Research

Share Price Performance ($, LTM)



Source: Bloomberg

SUMMARY TABLE

Figure 1. Summary Table (As of March 18, 2016)

Share data		B/S data (As of fiscal 3Q15)		Key personnel:	
Recent price:	$0.00	Total assets:	2.0mn	CEO, Chairman & Founder	James C. Katzaroff
Price target:	$0.02	Total debt:	3.4mn	CFO	Leonard Bruce Jolliff
52-week range:	0.01 / 0.00	Equity:	(8.8mn)	Chief Radio-Chemist and Safety Officer	Dr. Fu Min Su
Average volume:*	7,758,780	W/C:	(8.8mn)	Director - Strategic Planning	Maren Ohaks Katzaroff
Market cap:	$9.1mn	ROE:	NM	Chief Science Officer	Dr. Nigel R. Stevenson
Book value/share:	($0.00)	ROA:	NM	Director of Special Projects	Dr. Donald A. Ludwig
Cash/share	$0.00	Current ratio:	0.0		
Dividend yield:	0.00%	Asset turnover:	0.6		
Risk profile:	High / Speculative	Debt/Cap:	64.5%		

** three month average volume (number of shares) , all figures in $ unless noted*

	Estimates			Valuation		
FYE Dec	Rev ($mn)	EBITDA ($mn)	EPS ($)	P/Rev (x)	EV/Rev (x)	P/E (x)
2013A	0.1	(3.4)	(0.03)	64.9x	89.1x	NM
2014A	0.0	(1.9)	(0.06)	378.3x	519.7x	NM
1Q15A	0.0	(0.3)	0.00	189.1x	259.9x	NM
2Q15A	0.0	(0.3)	0.00	#DIV/0!	#DIV/0!	NM
3Q15A	0.0	(0.3)	(0.00)	189.1x	259.9x	NM
4Q15E	0.0	(0.3)	(0.00)	190.0x	261.0x	NM
2015E	0.0	(1.2)	0.00	252.6x	347.0x	NM
2016E	0.0	(1.5)	(0.00)	190.0x	261.0x	NM
2017E	2.0	(1.0)	(0.00)	4.6x	6.3x	NM
2018E	8.7	0.9	0.00	1.1x	1.4x	13.8x

Source: SeeThruEquity Research, company filings

INVESTMENT THESIS

We initiate coverage on Advanced Medical Isotope Corporation (OTC: ADMD, "AMI") with a price target of $0.02 per share. Based in Kennewick, WA, AMI is a late stage radiation oncology focused medical device company. AMI is engaged primarily in the development of brachytherapy devices for therapeutic applications for the treatment of cancer. Brachytherapy, which is the process of using radiation to destroy cancerous tumors by placing a radioactive isotope inside or next to the treatment area, represents a growing portion of the multi-billion-dollar market for medical radioisotopes. Indeed, the global market for brachytherapy is expected to grow from $680mn in 2013 to reach $2.4Bn by 2030, according to *MEDraysintell Report.* AMI's lead product candidate is the **Y-90 RadioGel™ device,** which represents a novel approach to the therapeutic use of yttrium-90 to treat tumors. AMI management is currently focused

on achieving regulatory clearance to market the Y-90 RadioGel™ device in the United States, and believes that it will represent a significant move forward in brachytherapy devices given that it has been optimized for safety, efficiency and scale.

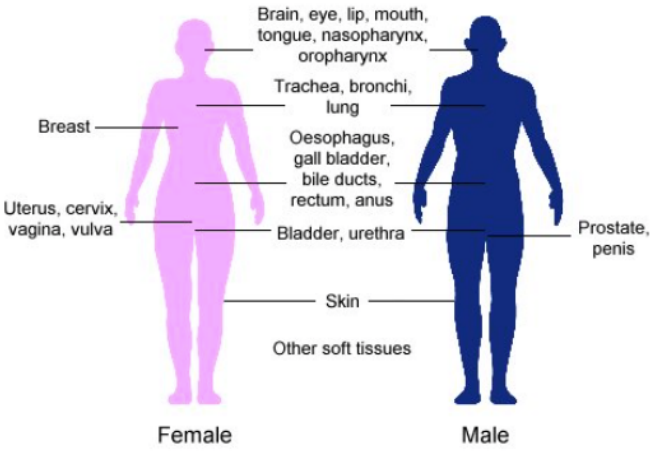
2016 to be a critical year for AMI on both clinical and corporate development fronts

We see several potential catalysts ahead for AMI in 2016 on both the corporate and clinical development fronts. In the US, the company is in the process of pursuing FDA clearance for Y-90 brachytherapy products via a class 2 medical device regulatory pathway. After having its petition for the Y-90 RadioGel™ device to be classified as a de novo class 2 medical device declined by the FDA last summer, AMI management has listened to the agency's feedback and has partnered with IsoTherapeutics Group, a third-party radiopharmaceutical R&D company, to provide commercialization support and conduct additional studies as requested by the FDA for the Y-90 RadioGel™ device. AMI announced in November that the company had completed the first stage of the project, comprised of tech transfer, manufacturing and in vitro testing. The next stage, comprised of additional in vitro and in vivo testing, is in process. If AMI is successful in getting the Y-90 RadioGel™ device cleared for sale in the US by the FDA, this would represent a significant milestone for the company and a key accomplishment for AMI management. Following regulatory clearance, we would expect management to move forward aggressively with the signing of manufacturing and distribution agreements. Outside of the US, pending successful new fundraising activities, we expect AMI to pursue a partner-based strategy. We expect the AMI management to seek out experienced strategic partners and pursue licensing agreements, which we have assumed would include license fees and royalties on products sold, with different partners in each major geography in which the company is able to gain regulatory clearance to market its products.

On the corporate development front, AMI has put forth ambitious plans for the next 12-24 months. The company recently engaged a leading investment bank and is currently in the process of raising capital. Management indicated in a presentation at SeeThruEquity *Annual Innovations Investor Conference* (co-hosted by the Brewer Group) on February 22 2016 in Miami, FL, that it was also pursuing an uplisting to a national exchange. In order to accomplish this, the company is likely to need to raise $5mn -$10mn of capital, which, in conjunction with a conversion of debt to equity, may enable the company to meet the minimum shareholder's equity requirements for such a move. If AMI is successful in uplisting to the NASDAQ or NYSE MKT, the move would likely improve share liquidity, expand the company's potential investor base, and make shares available to institutions unable to invest in OTC companies. Along these lines, we would also expect AMI to pursue reverse split / share consolidation to ensure that the company meets minimum bid requirements. AMI has approximately 2Bn shares of stock outstanding, and an additional potential dilution of 1.8 billion common shares from 1.8Bn shares of convertible preferred stock. In January, AMI also announced that it had engaged Circadian Group, an investor relations group that specializes in working with small capitalization growth companies, primarily in the healthcare and technology sectors. The move should assist AMI as it pursues these corporate aims throughout the year.

Significant potential in what may be a best of breed new product for brachytherapy

AMI's flagship Y-90 Radio-Gel™ device is the first of several Y-90 brachytherapy products being developed by the company. According to management, the Y-90 Radio-Gel™ device promises to be a safer, quicker and less expensive treatment to certain cancers versus existing brachytherapy devices – including some tumors deemed inoperable. AMI believes there are significant opportunities for its Y-90 brachytherapy products in prostate, breast, liver, pancreatic, head and neck cancers, among other cancers, as illustrated in the enclosed diagram, which was provided by the company. The company sees the main advantages of its technology being that it



Cancer Sites Treated with Brachytherapy

addresses many of the drawbacks of existing brachytherapy devices – which include cesium-131 (Cs-131), iodine-125 (I-125), and palladium-103 (Pd-103) based therapies. According to the company, drawbacks of existing brachytherapy devices include undesired radiation exposure to healthy tissues, prolonged treatment duration, high costs, and the fact that existing treatments have not been optimized for many cancers. AMI's budding brachytherapy device portfolio utilizes Y-90, which has a short, finite path with high energy emissions and a short half-life, as illustrated in the following table.

	Cs-131	I-125	Pd-103	AMIC Y-90
Primary Emissions	Auger x-rays	Auger x-rays	Auger x-rays	Beta rays
Average Path length	Infinite	Infinite	Infinite	4mm
Delivery Form	Metal seeds	Metal seeds	Metal seeds	Biodegradable polymer
Half-Life	9.7 days	60 days	17 days	**2.7 days**
90% Delivered Dose	33 days	204 days	58 days	9 days

Source: SeeThruEquity Research, Company investor materials

Importantly, AMI's proposed brachytherapy products are supported by an intellectual property (IP) that incudes exclusive rights under 15 patents that cover medical isotope applications, processing and manufacturing. The company's patented Y-90 technology was originally developed for Battelle Memorial Institute ("Battelle") at Pacific Northwest National Laboratory, a leading research institute for government and commercial customers. Battelle is the world's largest non-profit research and development organization, with 22,000 employees and $6.2 billion in annual revenues. Importantly, Battelle granted AMI an exclusive license to patents covering these developments for manufacturing, processing and applications for medical isotopes, and is a shareholder.

AMI targeting large and growing global market for medical isotopes

AMI is a late stage development company, which, assuming it achieves regulatory clearance, is poised to compete in the large and growing global medical isotopes market. According to the World Nuclear Association, over 10,000 hospitals worldwide use radioisotopes in medicine, and the global radioisotope market was $4.8 billion in 2012, with medical radioisotopes representing 80% of the market, and is expected to reach $8Bn by 2017E. North America accounts for about half the global use of diagnostic radioisotopes – there are 20mn + nuclear medicine procedures each year in the United States alone – while Europe is the next largest market at 20%. AMI's development strategy aligns rationally with this breakdown, with the company focused currently on garnering FDA clearance to market its flagship Y-90 Radio-Gel™ medical device in the US, to be followed by expansion into Europe through the CE Mark process, as well as other geographies.

AMI's application of medical isotopes is an intriguing platform of three devices which employ brachytherapy – the process of using radiation to destroy cancerous tumors by placing a radioactive isotope inside or next to the treatment area – for treating cancer. AMI's lead product candidate is the Y-90 RadioGel™ device, which uses yttrium-90. If successful in gaining regulatory clearance, AMI will be an emerging market participant in the brachytherapy market, which was estimated at $680mn in 2013 by MEDraysintell and is expected to reach $2.4Bn by 2030E. The key existing brachytherapy technologies are iodine-125 (I-125), palladium-103 (Pd-103), and Cesium (Cs-131) though AMI believes its technology is safer and more effective given that it has been optimized for efficacy, safety and cost.

Life Sciences DISCOVERY FUND

WASHINGTON STATE UNIVERSITY

Potential applications in veterinary space offer opportunity and a quicker path to market

While its current focus is on achieving FDA clearance for Y-90 RadioGel™ device, AMI also sees an opportunity for using its brachytherapy products for the treatment of pets. On March 15, 2016, the company announced that it would form a new wholly-owned subsidiary, IsoPet Solutions Corporation, to focus on the veterinary market. There are 150mn pet cats and dogs in the US, and cancer is the leading cause of pet death. According to PetcareRx.com, the average cost of treating tumors in dogs using radiation is $5,000 to $7,000 per treatment. AMI is actively pursuing partners in the veterinary space, and is recruiting for its first companion study using the Y-90 RadioGel™ device at Washington State University, using funding awarded through a Washington Life Sciences Discovery Fund grant. AMI management has noted that regulations covering the use of medical isotopes in the veterinary market are much less stringent than those for the human markets and may offer a quicker path to market for some products.

Key appointments expand Medical and Veterinary Advisory Board

We were pleased to see AMI recently announced that it had expanded its Medical Advisory Board to include Dr. Ludwig E. Feinendegen, M.D. Dr. Feinendegen is an active member of the international nuclear medical community, who is known for contributions to the use of radionuclides for therapeutic and diagnostic purposes. In the announcement, AMI indicated that Dr. Feinendegen has received numerous honors from national and international institutions, authoring 700+ publications in molecular nuclear medicine, cell biology and low-dose radiobiology. Additionally, on March 14, AMI announced that it had appointed Dr. Alice Villalobos, DVM, FNAP, a specialist and advocate on the topic of cancer in pets, as Chair of the Company's Veterinary Medicine Advisory Board. AMI has been seeking partnerships to advance the use of yttrium-90 brachytherapy products to veterinary markets, and in our view this is a significant step showing the company’s commitment to this new and potentially lucrative market.

In our view, there is considerable potential value-add from a well-regarded and well-connected Medical Advisory Board, particularly for emerging and pre-clinical companies such as AMI. AMI’s Medical Board of Advisors includes Dr. Feinendegen, Dr. Darrell Fisher and Dr. Barry D. Pressman MD, FACR, and we expect the company should be able to benefit from the experience, guidance, reputation, and potential business and industry connections made available from its Medical Advisory Board. We have included the full bios of the company’s management and medical advisory board at the conclusion of this report, on page 14.

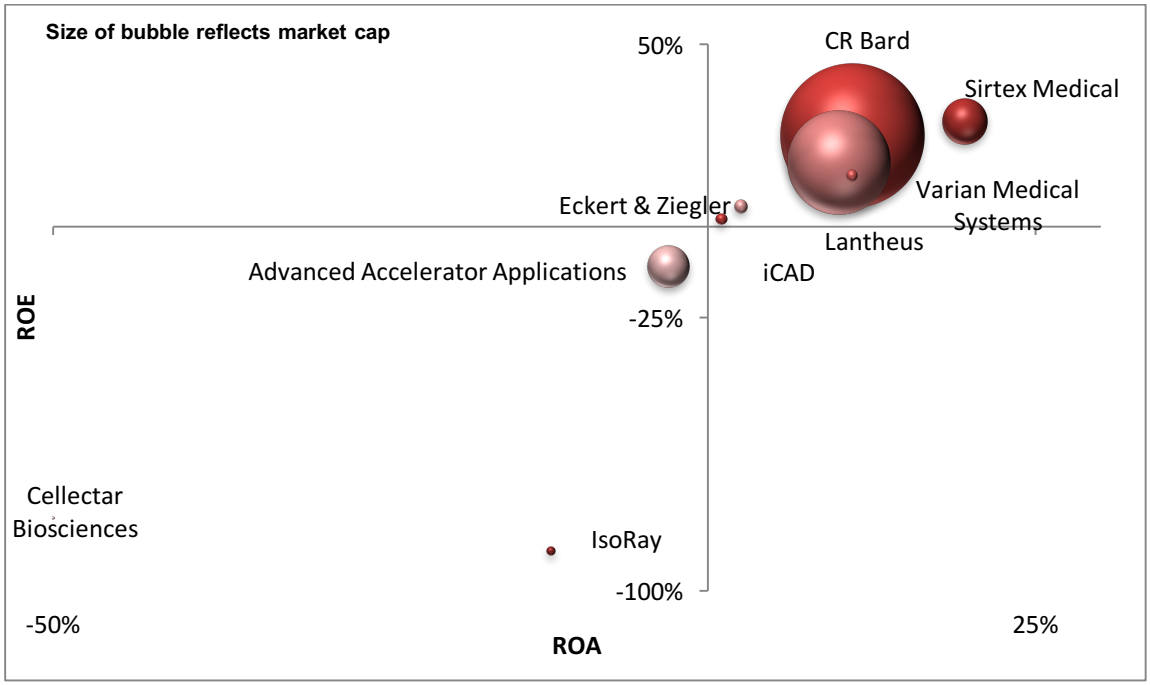
COMPETITIVE LANDSCAPE

The market for developing new therapeutic treatments for cancer is large and highly competitive. Common cancer treatments include Surgery, Chemotherapy, Immunotherapy, Targeted Therapy, and Radiation Therapy, which is received by about half of cancer patients at some point during their treatment. AMI is focused on developing new medical isotope technologies that promise safe and effective treatment of cancer. The use of medical isotopes is already common practice, and seems to be an area of growth. For example, according to the *World Nuclear Association*, over 10,000 hospitals worldwide use radioisotopes in medicine, and currently the most common application of medical isotope technology is for diagnosis, with technetium-99 being the most common radioisotope used. AMI has shared data which shows that the global radioisotope market was $4.8 billion in 2012, with medical radioisotopes representing 80% of the market, and the use radiopharmaceuticals in diagnosis is growing at over 10% per year. North America accounts for about half the global use of diagnostic radioisotopes – there are 20mn + nuclear medicine procedures each year in the United States alone – while Europe is the next largest market at 20%.

AMI's application of medical isotopes is an intriguing platform of brachytherapy devices. AMI's lead product candidate is the **Y-90 RadioGel™ device,** which uses yttrium-90 to treat tumors. If AMI is successful in gaining FDA regulatory clearance to market Y-90 Radio-Gel™ as a medical device, it will be an emerging market participant in the brachytherapy market, which was $680mn in 2013 and is expected to reach $2.4Bn by 2030E according to *MEDraysintell*. AMI believes its Y-90 brachytherapy devices are safer, more effective and less expensive treatment than existing methods, which most commonly include iodine-125 (I-125), palladium-103 (Pd-103), and Cs-131. However, the company faces competition from established players, many of which have access to greater financial resources, more established product distribution, and more extensive research facilities. AMI cites its primary competitors as Oncura, a unit of General Electric (GE), Theragenics, CR Bard, IsoRay and Sirtex.

In the following graphic we examined size and profitability metrics for a group of competitors and peer companies of AMI. We did not include AMI in the analysis because the company is pre-revenue; however, we did include a range of small and large capitalization companies participating in the medical device and medical isotope space. As illustrated in the following chart, there is a range of profitability levels among AMI's peers, with early-stage companies experiencing negative margins and more mature companies achieving attractive returns.

Figure 2. ROA vs. ROA– AMI Peers



Source: Thompson Financial, Company filings, SeeThruEquity Research

FINANCIALS AND FUTURE OUTLOOK

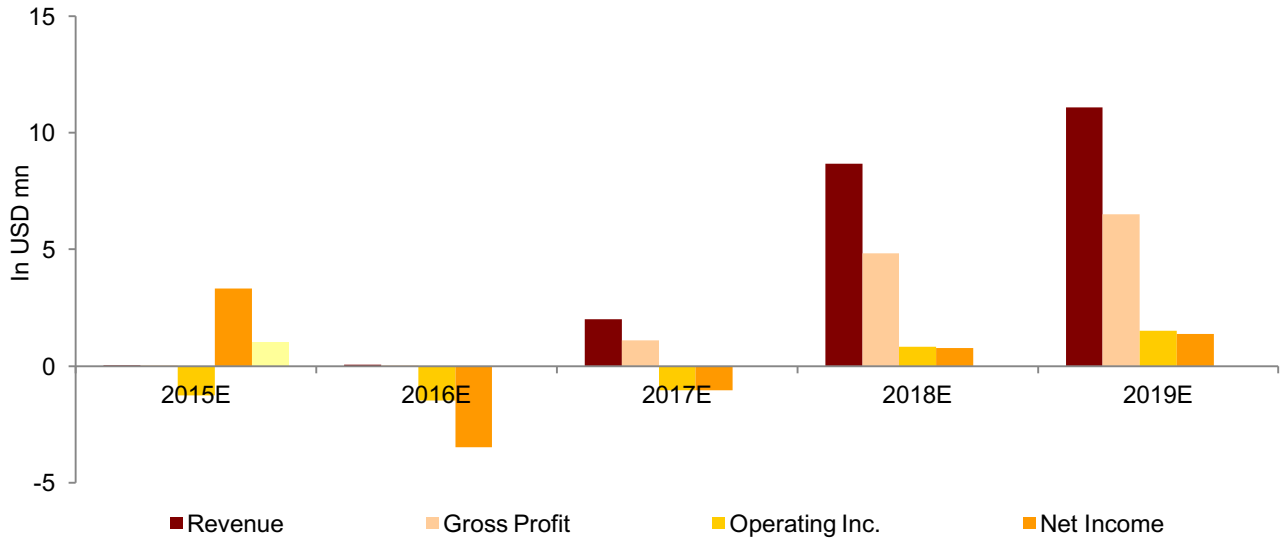
Product development / Revenue forecast

AMI is a development stage company, which does not yet generate revenues from the sale of medical devices. The company is in the process of seeking FDA clearance to market its line of Y-90 brachytherapy medical devices in the United States. If AMI is unsuccessful in this endeavor, the business may not be viable given its relatively weak balance sheet and history of losses. We have assumed AMI is able to achieve a class 2 designation by the FDA, which would provide clearance for the company to market its products in the United States, during the next 12 months, with 2018E being the first full year of commercial activities. The global market for brachytherapy is expected to rise from $680mn in 2013 to reach $2.4Bn in 2030. Our model is a top down model, which assumes AMI achieves a market share in the US, which is approximately half the global market, of 1% in 2018E, growing to 12.0% at the end of our forecast in 2027E. AMI is also expected to commercialize in Europe and the rest of the world, though we expect it to do so by way of strategic licensing partnerships. We assumed an initial license fee of $2mn in 2017E and a total of $10mn in license / milestone payments from partnerships in Europe and the rest of the world from 2017E to 2020E, with an 8% royalty rate partner revenues. In terms of veterinary products, led by the new IsoPet Solutions initiative, we have made modest assumptions here, with revenues rising from $0.3mn in 2018E to reach $2.7mn in 2027E. If the company is able to grow this business faster than we expect – management believes there is a chance the business could generate revenues as soon as next year – there is potential for AMI to surpass our forecast.

Profitability / Margins

We assume that AMI reports a loss of ($1.5mn) from operations in 2016E, and a loss of ($1.0mn) in 2017E, as the company will be required to spend to advance the regulatory approval process and prepare for commercialization, but will not have revenues from the sale of medical devices. Our model assumes AMI is able to achieve healthy profit margins as the business scales and the company benefits from high margin licensing and royalty revenues, as outlined in the chart below. We have assumed the company begins to generate EBIT in 2018E, with EBIT of $0.8mn on revenues of $8.7mn with rapid margin expansion thereafter. The company may report net income on an accounting basis in 2015E, though this would be largely from gains on derivative liabilities. We modeled EPS of ($0.00) in 2016E and 2017E.

Figure 4. Key Performance Indicators of AMI, FY15E–19E



Source: Company filings, SeeThruEquity Research

Balance Sheet & Financial Liquidity

We see the balance sheet and financial liquidity as a key risk to watch for AMI. The company has a going concern qualification from its auditor, and our analysis has assumed AMI is able to raise fresh capital in order to complete development and fund growth initiatives. The company has a history of losses, with an accumulated deficit of $48.6mn. For the first three quarters of 2015, AMI used ($0.7mn) in cash in operating activities, which was largely funded by the issuance of convertible debt. AMI ended 3Q15 with current assets of $42,149 and current liabilities of $8.9mn, representing a substantial working capital deficit. While some of these current liabilities represent items that may be paid with shares rather than cash, such as convertible debt and derivative liabilities, in our view AMI will need to raise at least $5mn in fresh capital, as well as paying a substantial portion of its liabilities with equity, in order to accomplish its aims.

Mitigating these risks somewhat, AMI has recently engaged an investment banking firm, and stated at our February 22, 2016 *Innovations Investor Conference* in Miami, FL, that it would attempt to uplist to a national exchange, which would likely include a large financing in order meet minimum shareholder's equity requirements for a national exchange. We have assumed the company will raise $8mn over the next 24 months to fund operations, growth initiatives, and to advance regulatory and commercial efforts for its Yttrium 90 Brachytherapy Devices.

VALUATION

We utilize a discounted cash flow (DCF) analysis to determine our valuation and price target for AMI. We have also included a peer group analysis for informative purposes; however, given that AMI is a late development stage company, which has not yet achieved FDA clearance for its products, we felt that a DCF valuation would be a more appropriate measure for the company. Using this methodology, we calculated a price target of $0.02 per share. We note that AMI is a company with a distressed balance sheet, which will require new capital to meet its objectives. Our analysis assumes that the company raises $8mn over the next 24 months at an average price of $0.009 per share, and also considers the dilutive impact of 1.8 billion shares resulting from the conversion of preferred stock. If the company is unable to accomplish this, or if the dilutive impact of the capital raise is greater than we expect, or if AMI fails to achieve regulatory clearance in the time we expect, then the results of the valuation exercise will be impacted. In our view, the company faces a binary outcome, which could result in bankruptcy if it is unable to raise capital and achieve FDA clearance for its products. If the company meets its regulatory and growth assumptions, however, the upside is potentially greater than the target in our analysis.

DCF

The DCF analysis assumes that AMI is able to raise capital sufficient to overcome regulatory hurdles and then commercialize AMI Y-90 devices in the US, and via strategic licensing partners in Europe and the rest of the world. We have also assumed that the company is successful in achieving FDA clearance in 2017E, allowing the company to begin commercial activities by 2018E in the United States. Further, we assume AMI strikes a partnership in Europe during 2017E, and that its partner achieves CE Mark in Europe in 2018E. Our DCF assumes AMI is successful in achieving regulatory clearance in these markets, and is able to grow revenues from $2.0mn in licensing revenues in 2017E to $8.7mn in product and licensing / royalty revenues 2018E, and rapidly thereafter due to market penetration.

We discounted cash flows at a weighted average cost of capital of 15% and assumed a terminal growth rate of 5.0% at the end of FY27E. We also applied a dilution factor to reflect our view that shares outstanding will rise from approximately 2 billion (prior to any splits) to 4.75 billion (assuming full conversion of 1.8 billion shares from the preferred stock outstanding. We then arrived at an enterprise value of $34.4mn and adjusted by the company's cash and debt at the end of 3Q15, to arrive at a fair value of $0.02 per share, as outlined below.

Figure 5. Discounted Cash Flow Analysis

$000	FY16E	FY17E	FY18E	FY19E	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E
EBIT	FY16E	FY17E	FY18E	FY19E	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E	FY26E	FY27E
Less: Tax	(1,464)	(1,028)	818	1,509	2,655	5,108	8,332	12,758	19,265	25,672	34,764	45,578
NOPLAT	0	0	33	121	239	613	1,152	2,785	6,708	8,950	12,133	15,917
Changes in working capital	(1,464)	(1,028)	785	1,388	2,416	4,495	7,179	9,973	12,557	16,722	22,632	29,660
Depreciation & Amortization	(12)	(1,131)	(324)	(1,378)	(1,414)	(190)	(714)	(461)	(563)	(59)	(554)	(47)
Capex	6	42	77	109	139	167	195	222	249	276	304	333
FCFF	(12)	(213)	(230)	(248)	(268)	(290)	(313)	(338)	(365)	(394)	(426)	(460)
Discount factor	**(1,482)**	**(2,330)**	**308**	**(129)**	**873**	**4,183**	**6,347**	**9,396**	**11,878**	**16,545**	**21,956**	**29,486**
Dilution Factor	0.90	0.78	0.68	0.59	0.52	0.45	0.39	0.34	0.30	0.26	0.23	0.20
PV of FCFE	(1,056)	(1,341)	93	(34)	199	827	1,088	1,397	1,531	1,849	2,127	2,477
Sum of PV of FCFF										9,157		9,157
Terminal cash flow												317,319
PV: Terminal cash flow												26,660
Enterprise value												35,816
Less: Debt												3,416
Add: Cash												7
Equity value												**32,407**
Basic shares (mn)												2,000,000.0
Fair value per share ($)												**0.02**

Summary conclusions		Key assumptions	
DCF FV ($ per share)	0.02	Beta	2.0
Recent price ($ per share)	0.00	Cost of equity	18.0%
Upside (downside)	575.2%	Cost of debt (post tax)	10.2%
WACC	14.8%	Terminal Growth Rate	5.0%

Source: SeeThruEquity Research

Figure 6. Sensitivity of Valuation – WACC vs. Terminal Growth Rate

Terminal growth rate (%)	WACC (%)				
	13.8%	14.3%	14.8%	15.3%	15.8%
4.00%	0.02	0.02	0.01	0.01	0.01
4.50%	0.02	0.02	0.02	0.01	0.01
5.00%	0.02	0.02	**0.02**	0.01	0.01
5.50%	0.02	0.02	0.02	0.02	0.01
6.00%	0.02	0.02	0.02	0.02	0.01
6.50%	0.02	0.02	0.02	0.02	0.02

Source: SeeThruEquity Research

Peer Group Analysis

In addition to the DCF valuation methodology outlined on prior pages, we examined the valuations of similar companies in the industry. However, given that AMI is a development stage company with no revenues, we did not use the comparable group multiples to calculate our price target. to inform our price target. We examined publicly traded peer companies, as detailed in Figure 7 below, and note that probably the closest comparable companies in the group are small capitalization peers Actinium (NYSE: ATNM), IsoRay (NYSE MKT: ISR) and midcap Australian-based Sirtex Medical (SRX.AX), each of which have a notable concentration of revenues derived from brachytherapy. We included Advanced Accelerator Applications (NADAQ: AAAP) because of its status as an emerging mid-cap that is an innovative radiopharmaceutical company that develops, produces and commercializes molecular nuclear medicine. We also included larger competitors such as CR Bard (NYSE: BCR), an industry leader with a wide ranging product portfolio which includes brachytherapy, as well as Eckert & Ziegler, Spectrum Pharmaceutical (NASDAQ: SPPI), and Cellectar Biosciences (CLRB), among others. As illustrated below, the average EV// Sales and P/Sales multiples in the peer group are 4.3x and 4.6x, respectively, for the current fiscal year.

Figure 7. Peer Company Valuation Analysis (Data as of 3/21/16)

Company	Mkt cap ($ mn)	EV / Revenue		Price / Revenue (x)	
		TY	NY	TY	NY
IsoRay	54	5.1x	3.8x	7.4x	5.5x
Sirtex Medical	1,317	6.3x	5.4x	6.6x	5.6x
Spectrum Pharmaceuticals	408	3.1x	3.3x	3.6x	3.7x
Actinium	99	N/A	N/A	N/A	N/A
iCAD	80	1.8x	1.0x	2.3x	1.3x
CR Bard	14,458	4.2x	3.9x	4.0x	3.8x
Varian Medical Systems	7,522	2.3x	2.2x	2.4x	2.3x
Eckert & Ziegler	112	N/A	N/A	N/A	N/A
Advanced Accelerator Applications	1,280	14.3x	12.0x	14.5x	12.2x
Cellectar Biosciences	4	N/A	N/A	N/A	N/A
International Isotopes	40	6.3x	4.9x	5.8x	4.5x
Lantheus	62	1.3x	1.3x	0.2x	0.2x
RadNet	236	1.0x	0.9x	0.3x	0.3x
Average		**4.6x**	**3.9x**	**5.0x**	**3.9x**
AMI (including preferred)	11.3	NM	NM	NM	NM
Premium (discount)		NM	NM	NM	NM

Source: Bloomberg, SeeThruEquity Research; all data in $ million expect per share data

RISK CONSIDERATIONS

Financial Resources / Liquidity

We see both the balance sheet and financial liquidity as key risks for AMI. The company has a going concern qualification from its auditor, and this analysis has assumed AMI is able to raise fresh capital in order to complete development and fund growth initiatives. AMI ended 3Q15 with current assets of $42,149 and current liabilities of $8.9mn, representing a substantial working capital deficit. While some of these current liabilities represent items that may be paid with shares rather than cash, such as convertible debt and derivative liabilities, in our view AMI will need to raise at least $5mn in fresh capital, as well as paying a substantial portion of its liabilities with equity, in order to accomplish its aims.

We have assumed the company will raise $8mn over the next 24 months to fund operations, growth initiatives, and to advance regulatory and commercial efforts for its Yttrium 90 Brachytherapy Devices. We have assumed the company is able to raise new capital on terms that are acceptable to common equity holders, however, there is no guarantee that the company will be able to do so at the terms we have estimated.

Competition

The market for developing new therapeutic treatments for cancer is large and highly competitive. Common cancer treatments include Surgery, Chemotherapy, Immunotherapy, Targeted Therapy, and Radiation Therapy. AMI's focus is most competitive with radiation therapy, which is received by about half of cancer patients at some point during their treatment. With its Yttrium 90 Brachytherapy Devices, AMI is attempting to develop a safer, more effective and less expensive treatment than existing methods; however the company faces competition from many large companies seeking to develop new therapeutic treatments for cancer, many of which have access to greater financial resources, more established product distribution, and more extensive research facilities.

Dilution potential

As mentioned above, we expect AMI to raise new capital to fund its operation and initiatives. The company's past capital raising activities have included the issuance of new equity and other securities such as preferred stock that have been dilutive to holders of common equity, and we expect the company will likely need to issue new equity again in the future as a part of its financing needs. Specifically there is risk that shareholders will experience dilution from the issuance of equity instruments, including common equity, preferred equity, options and warrants, among others. The company has preferred stock which, when converted will increase common shares outstanding by approximately 1.8 billion shares.

Regulation Risk

The medical device market is highly regulated. In the United States, AMI is regulated by the FDA and Department of Health, and its products can not be sold without clearance by the FDA. Similarly, in Europe, the company's products must be CE Marked to show that it conforms to the regulatory requirements before it can be imported or sold into the EU. It is worth noting that most countries have their own unique regulators over medical products, and therefore regulatory clearance in one area does not necessarily guarantee clearance in countries governed by different regulatory bodies.

Development stage company

AMI is a development stage medical device company, which does not generate revenues and does not have products available for commercial use. At the end of September 2015, AMI had an accumulated deficit of $48.6mn. Although AMI management believes there is a large opportunity for the use of nuclear technology in medical treatment, and particularly is optimistic about the prospects for its Yttrium-90 Brachytherapy Devices for potential cancer treatment, at this time the company does not generate revenues or profits, nor have its products been cleared for commercial use in the United States by the FDA. It is important to note that there is considerable uncertainty when predicting the timing, size and scope for future sales and earnings for a development stage company.

Management Team

James C. Katzaroff – CEO, Chairman and Founder

A serial entrepreneur who started his first company importing minerals and pewter from Brazil while in high school in southern California, Mr. Katzaroff is constantly searching for outstanding opportunities. Hired straight out of college Mr. Katzaroff was a financial consultant for Wall Street firms Bateman Eichler, Smith Barney and EFHutton. Since 1990, he has been responsible for corporate engineering, senior-level corporate strategy, fostering investment bank relationships, and has served as a senior financial advisor for numerous start-ups and development stage companies. A strong desire to make an unshakable impact in the fight against cancer led Mr. Katzaroff to found AMI in 2006.

Leonard Bruce Jolliff, Chief Financial Officer

Leonard Bruce Jolliff, joined Advanced Medical Isotope Corporation as Chief Financial Officer in 2006. For nine years prior to joining the Company, Mr. Jolliff was a sole practitioner in the role of CFO for Hire and as a Forensic Accountant, working with companies ranging from Fortune 500 to small family operations. Mr. Jolliff is a CPA and a member of the Washington Society of CPAs. He is also a Certified Fraud Examiner and a member of the Association of Certified Fraud Examiners. Mr. Jolliff has held CFO and Controller positions in an array of industries and has worked as a CPA in public practice. Currently all of Mr. Jolliff's energy is focused on supporting AMI's isotope production and securing new investments which will enable the growing company to meet its goals.

Dr. Fu Min Su – Chief Radio-Chemist and Safety Officer

Fu Min Su, Ph.D., is AMI's Chief Radio-Chemist and Radiation Safety Officer. Having received his Ph.D. from the University of Washington, he has authored a number of scientific papers and written numerous abstracts for the Journal of Nuclear Medicine. Dr Su also holds several patents relating to radionuclide production and preparation. With over 20 years experience in medical isotope R&D and manufacture, Dr. Su is also an expert in the area of coordinating and conducting clinical trials. Working as a senior scientist for several bio-technology firms, including NeoRx, Nycomed-Amersham, Bristol-Myers Squibb, and Cellectar, he developed various radiopharmaceuticals, isotope production methods and generator systems.

Maren Ohaks Katzaroff – Director - Strategic Planning

Maren drives the commercialization of AMI's brachytherapy products including operational and regulatory aspects through strategic initiatives. Maren has extensive expertise in global commercialization strategies, operations, strategic planning and regulatory compliance in a variety of sectors including medical device, biotechnology, academia and banking. Maren has been instrumental in preparing device and drug products for FDA review including quality system establishment, manufacturing oversight, preparation of FDA filings and participation in FDA reviews. Prior to joining AMI, Maren was employed by the University of Washington (UW) to create and run programs to facilitate engagement between industry and UW researchers and students to foster commercialization of UW technology. This included opening and running the first UW managed high tech incubator. In addition, Maren has held key strategic and operational roles for a number of medical device and biotechnology companies including Amgen and several Seattle area start-ups. She earned an MBA with an emphasis in Management and Technology, and a BS in Cell and Molecular Biology with a minor in Chemistry, both from the UW. Maren enjoys active roles in numerous community organizations.

Dr. Nigel R. Stevenson – Chief Science Officer

Dr. Stevenson is AMI's Chief Science Officer. He brings with him an impressive background in isotope production. He began his career as a research scientist at TRIUMF, the Canadian Accelerator Facility, before heading up the Isotope Production and Applied Technology group at TRIUMF responsible for the production of a wide variety of radioactive medical isotopes for Nordion in addition to specialized isotope production technology. In 1999 he became the V.P. of Isotope Production and Research for Theragenics Corporation in Atlanta, GA. In this role he was responsible for installing and operating the world's largest cyclotron facility (14 machines) used to produce radiochemicals for pharmaceuticals and medical devices. He also had technical oversight of a large scale stable isotope separation facility in Oak Ridge, TN. He was appointed the Chief Operating Officer of Trace Life Sciences, before assuming his current role as Chief Operating Officer of Clear Vascular. Additionally, he is the CEO of TcNet, LLC, a company that is

investigating the use of PET cyclotron systems to produce a number of additional radiochemicals. Dr. Stevenson obtained his Ph.D. at the University Of London, UK in 1983 in Nuclear Physics.

Dr. Donald A. Ludwig – Director of Special Projects

Donald A. Ludwig, PhD., is Director of Special Projects for AMI. As an expert in particle accelerator applications in radiation therapy, nuclear medicine and radioisotope production Dr. Ludwig also serves as an advisor to numerous entities in the field, both domestic and foreign. Among these are the Atomic Energy of Canada, the U. S. Department of Energy Labs at Los Alamos, Berkeley, Fermi, Hanford and Oak Ridge, the Israel Atomic Energy Agency, the Australian Nuclear Science and Technology Organization, the Budker Institute of Nuclear Physics in Novosibirsk, Siberia, the Malaysian Institute of Nuclear Technology and the Bhabha Atomic Research Center in Mumbai, India. He holds advanced degrees in nuclear physics, medical physics and marketing from top tier Universities. Dr. Ludwig's endeavors for AMI are focused on facilitating the return of clinical radioisotope production to the US.

Dr. Mike Korenko – New Product Development

Mike Korenko is advisor to the board for AMI and is also responsible for new product development. He was the Westinghouse VP in charge of the 300 and 400 areas and all the engineering, safety analysis, and projects for the Hanford site, and the EVP of Closure for Safe Sites of Colorado at Rocky Flats. He is the co-inventor of the new disclosure to convert nuclear waste to medical isotopes. He is currently President of Kor Ideas. Mr. Korenko has a Doctor of Science from MIT and was a NATO Postdoctoral Fellow at Oxford University. He was selected as a White House Fellow for the Department of Defense reporting to Secretary Cap Weinberger. He has 28 patents and has received many awards including the National Energy Resources Organization Research and Development Award. Mr. Korenko's personal goal for AMI is to expand the company's profitability via brachytherapy and Moly-99 production.

Non-Executive Members of the Board of Directors

Dr. Carlton Cadwell - Director

Dr. Carlton Cadwell joined Advanced Medical Isotope Corporation as a director in 2006. Dr. Cadwell brings over 30 years of experience in business management, strategic planning, and implementation. He co-founded Cadwell Laboratories, Inc. in 1979 and has served as its President since its inception. Cadwell Laboratories, Inc. is a major international provider of neurodiagnostic medical devices.

After receiving his bachelor's degree from the University of Oregon in 1966 and a doctoral degree from the University of Washington in 1970, he began his career serving in the United States Army as a dentist for 3 years. From 1973 to 1980, Dr. Cadwell practiced dentistry in private practice and since has started several businesses.

Thomas J. Clement - Director

Tom Clement is currently the CEO of Aqueduct Neurosciences, Inc. Aqueduct is developing a novel implantable shunt for treating hydrocephalus, a condition that causes a person not to be able to reabsorb cerebrospinal fluid. Existing technologies fail at an alarming rate, often requiring the pediatric patient to have as many as four brain surgeries by the time they are 20 years old. Prior to this, Clement was the CEO of Cardiac Insight, Inc. from March of 2011 through December, 2012. Cardiac Insight is developing a highly accurate Atrial Fibrillation monitor to address the "silent" a-fib market, those patients with undiagnosed, difficult to detect atrial fibrillation which is a huge risk factor for stroke, but when diagnosed and treated allows the patient's risk factor to be reduced to normal. At Cardiac Insight, Clement was responsible for all operations, helped raise $1.2 million dollars, built a team of product developers, and led the efforts to develop the product and submit it to FDA for clearance in the US.

Clement previously was employed at the University of Washington's Center for Commercialization where he was the Director of New Ventures – Life Sciences. His responsibilities there included identification of promising technologies that have potential to be commercialized via a new start-up. In his role, he worked with researchers and UW personnel to advance the business plans for the identified commercial prospects in areas spanning market strategy, regulatory strategy, identification of management, and early stage financing. In October 1998 Clement co-founded Pathway Medical Technologies, Inc. where he served as the company CEO until September 2008. At Pathway he led a talented management team as the company developed and brought to market its flagship product, the Jetstreamtm System for treatment of peripheral

arteries. As CEO, Clement had active involvement in clinical and regulatory strategy, product development, operations and quality assurance. He was also responsible for business development and financing, where he successfully raised more than $84 million for Pathway. In September, Clement assumed the role of Chairman of the Board. Pathway was sold to Bayer Germany in August of 2011.

Clement has over 32 years' experience in product development engineering, engineering management, and senior management. Previously, Clement was a founding employee of Heart Technology which grew to more than $100 million in revenue and 550 employees. There he spent 12 years in senior management roles. When Heart Technology was acquired by Boston Scientific, Clement became responsible for the emerging cardiovascular technologies group of the Scimed division of Boston Scientific.

Clement has a Master of Science in Electrical Engineering from the University of Washington. He is the recent Chairman of the Board of Directors for the Washington Biotechnology and Biomedical Association (WBBA), and he remains on the Executive Committee of the WBBA. He also has positions on the Visiting Committee for the University of Washington Educational Outreach Programs, and the Advisory Board to the University of Washington's Master Degree in Medical Engineering. He sits on the boards of several startup companies and organizations including the Bothell Innovation Partnership Zone, and WINGS Angel Investor organization for medical device angel investing. Clement has also been appointed by Governor Gregoire to the Washington Global Health Technologies Competitiveness Board.

Medical and Scientific Advisory Board Members

Dr. Barry D. Pressman MD, FACR – Chairman, Medical Advisory Board

Dr. Pressman is Professor and Chairman of the S. Mark Taper Foundation Imaging Center and Department, and Chief of the Section of Neuroradiology and Head and Neck Radiology at Cedars-Sinai Medical Center, located in Los Angeles, CA. Dr. Pressman is a past President of The American College of Radiology, the Western Neuroradiological Society, as well as past President of the California Radiological Society. Currently he is a member of the American Society of Neuroradiology and the American Society of Pediatric Neuroradiology. Dr. Pressman earned his medical degree Cum Laude from Harvard Medical School after graduating Summa Cum Laude from Dartmouth College. After a surgical internship at Harvard's Peter Bent Brigham Hospital in Boston, he completed a diagnostic radiology residency at Columbia-Presbyterian Medical Center in New York and a Neuroradiology fellowship at George Washington University Hospital. During this period, he wrote many original papers for Computer Tomography(CT).

Dr. Darrell Fisher – Medical Advisory Board

Dr. Fisher is known internationally for his expertise in the dosimetry and consequences of exposure to radioactive materials, including medically administered radiopharmaceuticals for diagnostic and therapeutic benefit. Dr. Fisher is a past president of the Health Physics Society, an international organization of professionals engaged in the science and practice of radiation safety. He is the principal nuclear medicine dosimetrist with the Dade Moeller Health Group, Richland, Washington, a leading medical physics services provider. Dr. Fisher is a Fellow of the Health Physics Society and a recipient of its prestigious Elda Anderson Award. He also serves on the Medical Internal Radiation Dose Committee of the Society of Nuclear Medicine and Molecular Imaging, which develops standard methods for radiopharmaceutical dosimetry.

Dr. Fisher previously served on the U.S. Nuclear Regulatory Commission's Advisory Committee on the Medical Uses of Isotopes. He recently completed a 35-year career at the Pacific Northwest National Laboratory (PNNL), where he led the Isotope Sciences Program. He holds six patents, including patents licensed by AMI for its brachytherapy products

Dr. Alan E. Waltar – Chairman, Scientific Advisory Board

Dr. Alan E. Waltar serves as Chair of the Scientific Committee for AMI, having recently retired as Director of Nuclear Energy at the Pacific Northwest National Laboratory (PNNL). He has also served as Head of the Nuclear Engineering Department for Texas A&M and President of the American Nuclear Society.

He holds a PhD in Engineering Science from the UC, Berkeley. Dr. Waltar served in numerous engineering and management roles in his 30-year career with Westinghouse Hanford Company. He was instrumental in the formation of the World Nuclear University (WNU) Summer Institute (SI) and has served as a mentor, lecturer, and MC for all six of the SIs to date—as well as the WNU Radioisotopes School in Korea (2010).

Additionally, he led a People-to-People Ambassadors Nuclear Delegation to China in October 2007 and India in 2009.

Dr. Waltar currently serves as a consultant to numerous governmental national and international nuclear organizations as well as several private nuclear firms. His support for AMI is focused on helping the company meet their goals of efficient, broad spectrum, domestic radioisotope production.

Dr. Ludwig E. Feinendegen, M.D. – Medical Advisory Board

Dr. Ludwig E. Feinendegen is a medical doctor known for his pioneering work and leadership in the fields of both diagnostic and therapeutic applications of radionuclides through various roles and research in nuclear medicine, internal medicine, cell biology and radiobiology. Dr. Feinendegen has numerous honors from national and international affiliations and has authored over 700 publications in molecular nuclear medicine, cell biology and low-dose radiobiology.

He earned his MD at the University Medical School Cologne, Germany, MD and trained in internal medicine, radiology and surgery in both Germany and USA. Dr Feinendegen has conducted research at leading institutions including Brookhaven National Laboratory (BNL) in New York, EURATOM in Brussels, Belgium, and the Institute du Radium in Paris, France. Dr. Feinendegen was a Full Professor and Director for the Department of Nuclear Medicine at Heinrich-Heine University (HHU) in Duesseldorf, Germany and the Director of the Institute of Medicine at the Research Center Juelich, Germany for over 25 years. He then returned to the United States working at BNL as a Senior Scientist, then at the US Department of Energy as a Program Manager, followed by a position as a Fogarty Scholar at the National Institutes of Health. He is currently a Professor emeritus at HHU and a Guest Scientist at BNL. Dr. Ludwig E. Feinendegen's focus on the AMI Medical Advisory Board is the clinical introduction of AMI's yttrium-90 brachytherapy products and European markets.

Dr. Alice Villalobos, DVM, FNAP – Chari, Veterinary Advisory Board

Dr. Alice Villalobos is a well known pioneer in the field of cancer care for companion animals and a founding member of the Veterinary Cancer Society. A 1972 graduate of UC Davis, she completed Dr. Gordon Theilen's first mock residency program in oncology and has served the profession by consulting, writing and lecturing in the rapidly growing field of veterinary oncology and end of life care.

Dr. Alice Villalobos is President Emeritus of the Society for Veterinary Medical Ethics, Past President of the American Association of Human Animal Bond Veterinarians and Chair of the Veterinary Academy for the National Academies of Practice. She operated Coast Pet Clinic/Animal Cancer Center for 25 years, which is now VCA Coast Animal Hospital. She is the author of numerous articles, papers, and including her classic veterinarian textbook, Canine and Feline Geriatric Oncology: Honoring the Human-Animal Bond. She has lectured worldwide on oncology, quality of life, the human-animal bond and end of life care and bioethics. She founded Pawspice, an end of life care program that embraces kinder, gentler palliative cancer medicine and integrative care for pets with cancer and terminal illness (www.Pawspice.com). Dr. Alice is Director of Animal Oncology Consultation Service in Woodland Hill, California and Pawspice at VCA Coast Animal Hospital in Hermosa Beach, California. Dr. Alice was elected 2016 Hermosa Beach Woman of the Year.

Dr. Alice's role with AMI is to support the commercialization of the Company's yttrium-90 brachytherapy products for use in companion animals.

FINANCIAL SUMMARY

Figure 8. Income Statement

Figures in $mn unless specified	FY13	FY14	FY15E	FY16E	FY17E	FY18E
Revenue	**0.1**	**0.0**	**0.0**	**0.0**	**2.0**	**8.7**
YoY growth	NM	(82.9%)	49.8%	32.9%	4066.7%	333.4%
Cost of Sales	0.1	0.0	0.0	0.0	0.9	3.8
Gross Profit	**0.0**	**0.0**	**0.0**	**0.0**	**1.1**	**4.8**
Margin	25.1%	95.4%	95.9%	87.5%	55.7%	55.7%
Operating expenses	3.6	2.0	1.3	1.5	2.1	4.0
EBIT	(3.6)	(2.0)	(1.2)	(1.5)	(1.0)	0.8
Margin	(2545.8%)	(8108.9%)	(3457.9%)	(3049.6%)	(51.4%)	9.4%
EBITDA	**(3.4)**	**(1.9)**	**(1.2)**	**(1.5)**	**(1.0)**	**0.9**
Margin	(2397.2%)	(8059.1%)	(3441.8%)	(3037.5%)	(49.3%)	10.3%
Other income/ (expense)	0.1	(16.2)	4.6	(2.0)	0.0	0.0
Profit before tax	(3.5)	(18.1)	3.3	(3.5)	(1.0)	0.8
Tax	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**(3.5)**	**(18.1)**	**3.3**	**(3.5)**	**(1.0)**	**0.8**
Margin	(2468.4%)	(75114.4%)	9189.7%	(7216.3%)	(51.4%)	9.1%
EPS (per share)	**(0.03)**	**(0.06)**	**0.00**	**(0.00)**	**(0.00)**	**0.00**

Source: SeeThruEquity Research

Figure 9. Balance Sheet

Figures in $mn unless specified	FY13	FY14	FY15E	FY16E	FY17E	FY18E
Current assets	0.1	0.0	0.1	0.2	2.8	2.4
Other assets	0.1	0.1	0.0	0.0	0.2	0.4
Total assets	**0.2**	**0.1**	**0.2**	**0.3**	**3.0**	**2.7**
Current liabilities	9.2	20.3	9.2	8.3	7.5	5.9
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Shareholders' equity	(9.0)	(20.2)	(9.0)	(8.0)	(4.5)	(3.1)
Total liab and shareholder equity	**0.2**	**0.1**	**0.2**	**0.3**	**3.0**	**2.7**

Source: SeeThruEquity Research

Figure 10. Cash Flow Statement

Figures in $mn unless specified	FY13	FY14	FY15E	FY16E	FY17E	FY18E
Cash from operating activities	(2.0)	(0.8)	(3.0)	(1.6)	1.1	0.7
Cash from investing activities	(0.0)	0.0	(0.0)	(0.2)	(0.2)	(0.2)
Cash from financing activities	2.0	0.9	4.0	3.0	(1.9)	0.0
Net inc/(dec) in cash	**(0.0)**	**0.1**	**0.1**	**1.2**	**(1.0)**	**0.4**
Cash at beginning of the year	0.0	0.3	0.1	0.2	1.4	0.4
Cash at the end of the year	**0.3**	**0.1**	**0.2**	**1.4**	**0.4**	**0.8**

Source: SeeThruEquity Research

About Advanced Medical Isotope Corporation

Advanced Medical Isotope Corporation (ADMD) is a late stage radiation oncology focused medical device company engaged in the development of yttrium-90 based brachytherapy devices for the treatment of non resectable tumors. Brachytherapy uses radiation to destroy cancerous tumors by placing a radioactive isotope inside or next to the treatment area. The Company intends to outsource material aspects of manufacturing, distribution, sales and marketing for its products in the United States and to enter into licensing arrangements outside of the United States, though the Company will evaluate its alternatives before finalizing its plans. For more information, please visit our website, www.isotopeworld.com

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