

PRODUCT FEASIBILITY BRIEF - AUTOIMMUNE DISEASE

Autoimmune Disease is generally described as an abnormal immune response. The more specific descriptions vary somewhat and the conditions classified as Autoimmune Disease themselves are the subject of some debate. The statistics on Autoimmune Disease are anomalous in that the list of conditions in this classification is perpetually incomplete. In 2012 a study indicating a rise of 23% in AD between 2001 and 2009 caused concern as researchers were unable to pinpoint the cause.

"In both autoimmune and inflammatory diseases, the condition arises through aberrant reactions of the human adaptive or innate immune systems. In autoimmunity, the patient's immune system is activated against the body's own proteins. In chronic inflammatory diseases, neutrophils and other leukocytes are constitutively recruited by cytokines and chemokines, leading to tissue damage" – WIKIPEDIA

Treatments and therapy for AD vary from immune system suppression to blood replacement with numerous experimental therapies also being touted. For the purpose of this document we will use the bottom figure of 1 in 133 as disclosed in 2012, accompanying the research above, as our estimated affliction rate. This is close enough statistically for our primary demographic, Mexico, and also our future target demographic, the United States.

In this brief we will use 1%, 10% and 25% as our estimated market penetration rates and a pessimistic unit price of \$80.00, so that we can demonstrate a conservative, target and longer-term sales performance overview without positively biasing or complicating the analysis:

<u>Mexico:</u> Population - 119,419,000/133 = 897,887 Afflicted.

Unit Price (US\$)	\$80.00		
Rate	1%	10%	25%
Afflicted	8,979	89,789	224,472
Sales\$/Month	\$718,320	\$7,183,120	\$17,957,760
Sales\$/Year	\$8,619,840	\$86,197,440	\$215,493,120

Product development background/justification:

EPH Technologies development group has undertaken to deliver health enhancing, ailment remediating products. The process has led us to identify specific illness demographics in a bid to maximize benefit for all stakeholders (including our investors, our team, and anyone who may benefit from our products and/or our knowledge).

As is evidenced above the numbers are staggering. An estimated 2.4 million people in the United States and 900,000 in Mexico, suffer from some form of Autoimmune Disease. Autoimmune Disease affliction is rising at a rate of approximately 25% per decade. This increase is alarming to the medical community worldwide and is without clear understanding, prevention or treatment. The disease is moving toward epidemic proportions without a clinical resolution of any consequence being available or reasonably foreseeable. The demand for such is undeniable.

Autoimmune Disease is a challenge for the entire medical field and as such the perfect challenge for the EPH Technologies development team. Our proprietary enzyme and protein rich "serum" produced in our bioreactors was administered to real users under strict controls as part of our Mexico clinical trial program. Of the two conditions where the Serum demonstrated significant benefit, under the limitations of the trial,

Autoimmune Disease and Inflammation stood out. The product proved to have a great hit rate. The clinical trials were not specifically targeting these disorders. The significance of the product effect on these disorders presented itself through observation and analysis of results. It is clear that the side effect of using the product, regardless of the treatment of the target condition having been proved successful in and of itself, is a reduction in Inflammation, especially in patients recovering from surgery with tissue repair/recovery rates increased, along with systemic reduction in Autoimmune Disorders. This is an undeniable success in isolation from all other trial successes observed.