Biocept Highlights Recent Progress and Outlines Near-Term Strategic Priorities in CEO Letter to Stockholders

June 25, 2018

SAN DIEGO, June 25, 2018 /PRNewswire/ -- Biocept, Inc. (NASDAQ: BIOC), a leading commercial provider of liquid biopsy tests designed to provide physicians with clinically actionable information to improve the outcomes of patients diagnosed with cancer, announces that President and CEO Michael W. Nall has issued the following letter to stockholders:

To our stockholders and friends:

I'm pleased to provide an update on our recent progress at Biocept as we build upon our position as a leader in the emerging field of liquid biopsy. In the past several months we have undertaken a range of initiatives that capitalize on our proprietary technology platform and support our portfolio of commercial tests that provide clinically actionable information from a simple blood sample. We are executing well-defined corporate priorities that are focused on increasing our commercial test volume and our revenues.

In support of our corporate objectives we entered into notable transactions with two global leaders in their respective fields. First, in February we announced a commercial and technology development partnership with Thermo Fisher Scientific, a leader in life science tools and diagnostics. We are making progress under the first phase of this collaboration, which entails validating Thermo Fisher's next-generation sequencing products in our CLIA-certified lab. This is a key step in becoming a Thermo Fisher liquid biopsy Center of Excellence and supports our launch of a molecular oncology assay panel, which we expect to occur in the fourth quarter of this year. Once launched, we plan to join forces with Thermo Fisher to market molecular diagnostic products and services to pharmaceutical companies. Going forward, we have jointly agreed with Thermo Fisher to evaluate and potentially develop additional products and services, and we look forward to providing you with updates in the coming quarters.

Second, we entered into a distribution agreement with global laboratory products supplier VWR International. Under this exclusive agreement, our patented blood collection tubes are available through VWR's extensive worldwide distribution network, except in China where we retained the rights. Our technology enables liquid biopsy samples containing cfDNA to be preserved for up to 96 hours, thus allowing the transport of samples to our lab in San Diego from nearly anywhere in the world. I'm pleased to report that an initial shipment of our proprietary blood collection tubes to VWR occurred during the second quarter of 2018. We believe our agreement with VWR is a major initial step in expanding Biocept beyond a reference laboratory to a diagnostic kit manufacturer.

Our initiatives to support organic growth include the launch of the first phase of the innovative Empower TC™ program that directly involves community pathologists in the interpretation of our liquid biopsy test results. Pathologists are often the first to know when a tissue biopsy is inadequate for molecular profiling and integrating these professionals into the process provides added incentive to work with Biocept. We are receiving good feedback from our initial targeted customers as we move to launch the final phase of this initiative.

Collaborating with a range of medical institutions to further validate our tests has long been a priority. We were pleased to be selected by the Addario Lung Cancer Medical Institute and its consortium of leading U.S. and international oncology centers to participate in the landmark ALCMI-009 liquid biopsy clinical trial. As part of this trial, between 1,600 and 2,400 blood samples from 400 patients with lung cancer will be analyzed using our Target Selector™ technology to evaluate the clinical utility of liquid biopsy for both profiling and for monitoring patients.

We are also executing on various other initiatives, as well. This includes expanding our test portfolio, as evidenced by the recent introduction of an assay for mutations of the NRAS oncogene associated with multiple cancer types. This assay increases the number of CLIA-certified biomarker tests Biocept offers to 15. We have broadened our intellectual property for our proprietary Target Selector™ platform and have 25 issued patents globally. Also, over the past several years we have steadily increased the amount we are reimbursed per test, due in large part to agreements with health plans. We are delighted that in the U.S. approximately 200 million covered lives, some under multiple plans, now have in-network access to our liquid biopsy platform.

Lastly, we are benefitting from growing recognition within our industry of the valuable information that a liquid biopsy provides. Earlier this year evidence-based guidelines were introduced recommending the use of liquid biopsy in patients with non-small cell lung cancer as a first-line diagnostic tool when tissue samples are inadequate and for monitoring for therapeutic resistance. These guidelines were issued collaboratively by the College of American Pathologists, the International Association for the Study of Lung Cancer, the Association for Molecular Pathology and the American Society for Investigative Pathology. These associations are well-respected by physicians and are crucial for increasing demand for our lung cancer tests.

Keeping Biocept in the forefront of the discussion around liquid biopsy continues to be a priority and we recently announced our third clinical case study published in a peer-reviewed journal this year. All of these cases demonstrate the clinical utility of our Target Selector™ assays in real-world settings, whereby patients were able to access targeted therapy and gain improved treatment outcomes because of our novel biomarker tests.

Our plan for the remainder of the year is to execute on business priorities aimed at increasing our commercial test volume and revenues, as follows:

- Entering into strategic partnerships in the U.S. and internationally;
- Capitalizing on the newly issued industry guidelines to support the use of liquid biopsy for patients with lung cancer;
- Advancing our collaboration with Thermo Fisher Scientific to grow our business in the pharmaceutical sector;
- Expanding our Empower TC™ agreements to additional pathology groups and major hospital systems;
- Signing new third-party health plan contracts and agreements with integrated healthcare delivery networks;
- Introducing new actionable biomarker assays; and
- Presenting additional data in order to further validate the use of our Target Selector™ assays.

We are making considerable progress in establishing our tests as the standard-of-care in liquid biopsy. Importantly, we are vigilant in our mission of providing critical information to physicians that improves the outcomes for patients with cancer. On behalf of our Board of Directors and my colleagues at Biocept, I thank you for your support.

Sincerely,

Michael W. Nall
President and Chief Executive Officer

About Biocept

Biocept, Inc. is a molecular diagnostics company with commercialized assays for lung, breast, gastric, colorectal and prostate cancers, and melanoma. The Company uses its proprietary liquid biopsy technology to provide physicians with information for treating and monitoring patients diagnosed with cancer. The Company's patented Target Selector™ liquid biopsy technology platform captures and analyzes tumor-associated molecular markers in both circulating tumor cells (CTCs) and in plasma (ctDNA). With thousands of tests performed, the platform has demonstrated the ability to identify cancer mutations and alterations to inform physicians about a patient's disease and therapeutic options. For additional information, please visit www.biocept.com.

Forward-Looking Statements Disclaimer Statement

This release contains forward-looking statements that are based upon current expectations or beliefs, as well as a number of assumptions about future events. Although we believe that the expectations reflected in the forward-looking statements and the assumptions upon which they are based are reasonable, we can give no assurance that such expectations and assumptions will prove to have been correct. Forward-looking statements are generally identifiable by the use of words like "may," "will," "should," "could," "expect," "anticipate," "estimate," "believe," "intend," or "project" or the negative of these words or other variations on these words or comparable terminology. To the extent that statements in this release are not strictly historical, including without limitation statements as to our ability to improve the diagnosis and treatment of cancer, our ability to increase our commercial test volume and revenues, the commercial success of our partnership with Thermo Fisher Scientific, our ability to become a diagnostic kit manufacturer, the success of our pathology partnership program, the value of our intellectual property estate, our ability to expand our test portfolio, and our ability to achieve any of our business priorities for 2018, such statements are forward-looking, and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The reader is cautioned not to put undue reliance on these forward-looking statements, as these statements are subject to numerous risk factors as set forth in our Securities and Exchange Commission (SEC) filings. The effects of such risks and uncertainties could cause actual results to differ materially from the forward-looking statements contained in this release. We do not plan to update any such forward-looking statements and expressly disclaim any duty to update the information contained in this press release except as required by law. Readers are advised to review our filings with the SEC, which can be accessed over the Internet at the SEC's website located at www.sec.gov.

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