Below is an update on the status of SampleServe, Inc. as of January 16th, 2021.
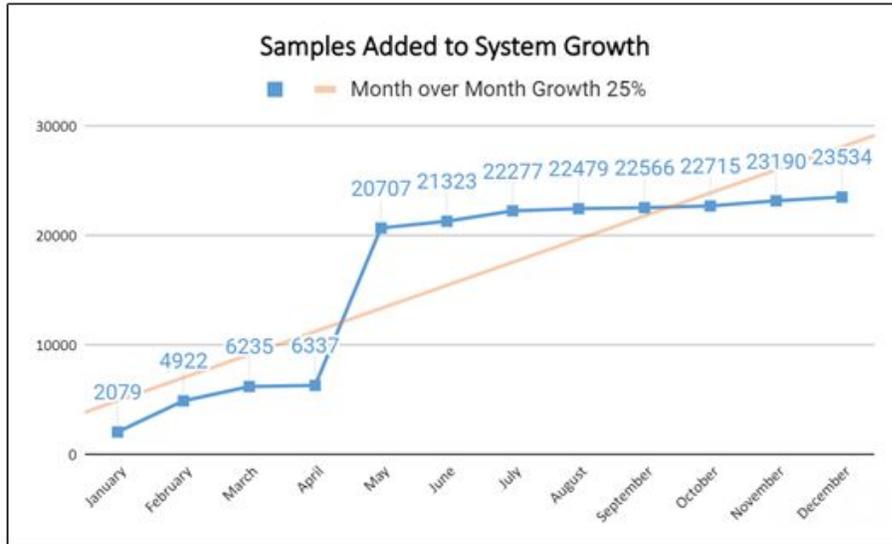
KPI's

Leading key product indicators (KPIs) for SampleServe are "number of projects" , "number of samples in the platform" and "number of samples collected". The average project in our system is sampled every 3-months. Each project on average lasts between 6 and 8 years, many go on longer than that. So, each new project in the system adds roughly $800 - $1,000 to "year over year" total revenue.
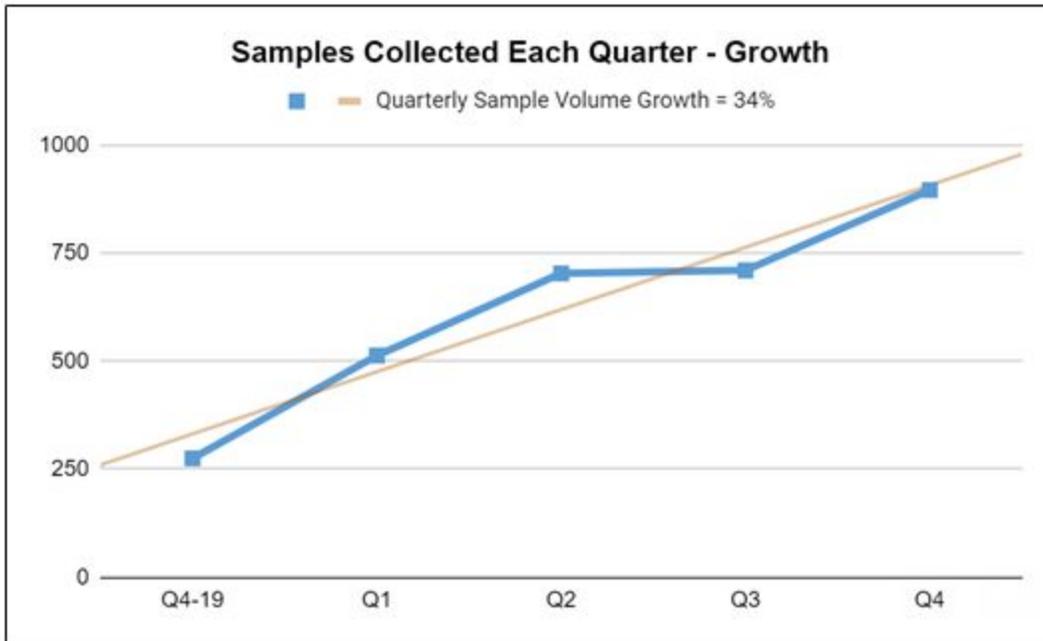
Our growth rate for PROJECTS since the beginning of the year is shown below and has been averaging roughly 31% growth, month over month, since January.

Our growth rate for SAMPLES added to the platform (both historical and new) since the beginning of the year is shown below and has been averaging roughly 25% growth, month over month, since January.

Samples Added to System Growth

Month over Month Growth 25%

2079   4922   6235   6337   20707   21323   22277   22479   22566   22715   23190   23534

January February March April May June July August September October November December

Our growth rate for SAMPLES collected is shown below and has been averaging roughly 34% growth, quarter over quarter, since Q4 2019. We switched to quarterly reporting on samples collected as most sites/projects are collected on a quarterly basis, so reporting monthly looked erratic. Please note that December numbers are estimated based on sampling events that are currently scheduled within the system.

Samples Collected Each Quarter - Growth

Quarterly Sample Volume Growth = 34%

Our growth rate for software subscription REVENUE since the beginning of the year is shown below and has been averaging roughly 17% growth quarter over quarter since January. Again, December numbers are estimated based on sampling events that are currently scheduled within the system.

Software Revenue Growth - Quarterly

Quarter over Quarter Revenue Growth = 11%
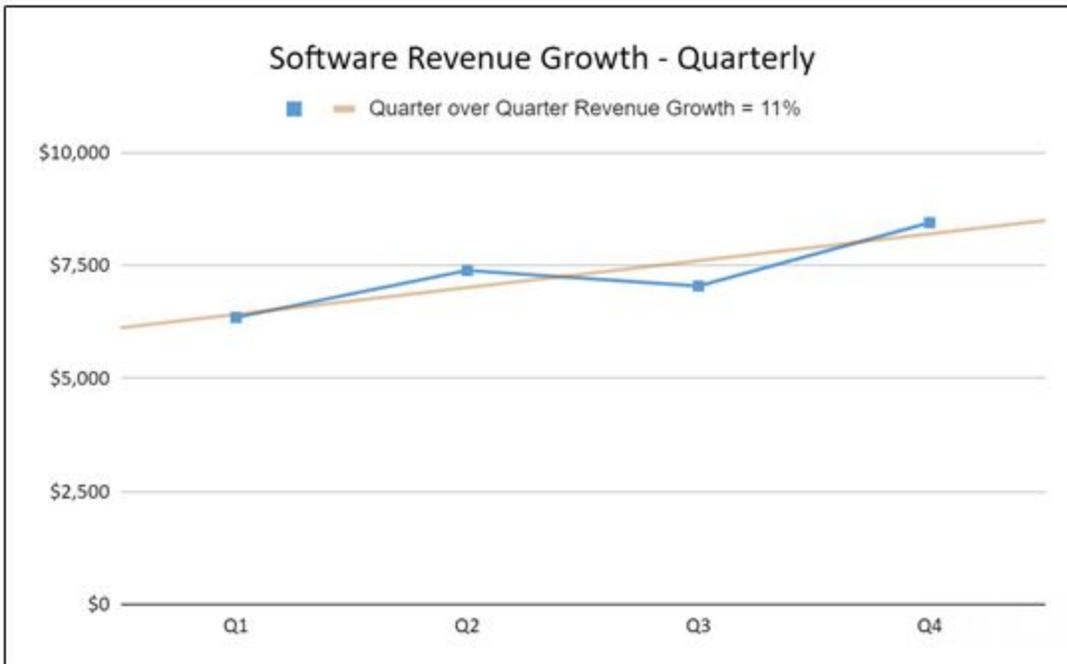
As I've indicated in the past, revenue lags behind other KPIs, 2 to 10 week or so. But the general trend smooths over time and each new project provides revenue for years to come. We continue to refine our sales process and customer onboarding. December looks to be our best month yet.

We have a live continually updated data dashboard you can view anytime here at this link: https://app.databox.com/datawall/f5a11c9caf48bafaedc42530141d55df05ced889e It's interactive. I would encourage you to save the link and check periodically. See below for a current snapshot:

Fundraising
We continue to meet with VC and Angel groups about 2 - to 3 times per week sometimes more. As mentioned previously, we launched a fundraising campaign on a fundraising website called Netcapital We cleared $100,000 in investment on the platform on Thursday of this past week and it's still going up. One of the nice things about Netcapital is that it can be continuously updated, and minimum investments are very low. They also handle all the transaction paperwork, communication, and collection of funds. It seems to be a convenient and growing mechanism for raising funds for start-ups. You can follow our fundraising progress by following us on Netcapital. Feel free to invest there as well. Being listed on Netcapital doesn't preclude direct investment via traditional methods.

We are also anticipating a second round or PPP money which will be in the range of 2-months worth of our monthly burn rate.

Investor FAQs
I recently updated many of the investor frequently asked questions (FAQs): https://docs.google.com/spreadsheets/d/1Ai0VkuJ6y9c-dCOJTdDXMX2ck-8vxsWoHrVGXAGVBJQ/edit?usp=sharing I added a date column so you can see when common questions have been updated. I think you will find it an interesting format and also very informative. We have a data room and are using a product called DocSend. If you are considering investment and

would like a link to the data room on DocSend, please send me an email and we will send out an invitation.

Drinking Water Sampling Application for Laboratories

About 4 -5 months ago, a local laboratory contacted us and asked us if we had any solutions for drinking water sample testing that they do on a regular basis (6,000 to 8,000 per year). What's unique about this particular use case is that the sampling is typically conducted by either a homeowner or a home inspector professional. These samplings are typically done when a new well or pump is being installed and also during a residential property transaction which requires a home inspection and in most cases a water sample. Additionally, drinking water samples are collected from various public water supply locations such as gas stations that use an on-site groundwater for making coffee and for use in soda fountains. Other samples are collected from other commercial or public institutions that use on-site water supplies for public consumption, such as restaurants, businesses, schools, and government entities. These public entities have varying testing frequency requirements ranging from monthly to yearly, based on the population using the particular water supply. At issue with this particular sampling use case, was the fact that it was just a single sample collected infrequently and a typical user would not want to go through the process of installing a mobile application on their mobile device for a one-time sample event. Because of our background in sampling and also in chain-of-custody process (which is required), we were able to design a very efficient and user friendly one-off sampling process that is estimated to save about 90% of the time and labor that the laboratory was preciously spending per sample previously. The laboratory paid $25,000 for our development time and we also have an ongoing per sample fee of $0.50 per sample to maintain the database and hosting of the sample application. This sampling process software was delivered December 30th, 2020 and is currently live and being used by the local laboratory. We white label the application so that it appears to be the labs own product. It is our intent to replicate this sampling software business model across the rest of the state of Michigan's 180 Certified Drinking Water Laboratories, and then to the thousands of other labs located across the rest of the country. Product advertising videos are currently being developed. We anticipate future lab customers will have an onboarding fee of approximately $2,000 and a higher per sample fee going forward.

Thoughts on The Results of The Election

Regardless of your preference on the outcome of the recent Presidential election and associated controversies surrounding it, what the current outcome means for the regulated community is that regulations are likely going to get stricter and enforcement actions more prevalent. This will result in an increase in demand for services related to sampling, compliance, and reporting. It will also likely result in a decrease in the regulated communities' financial position. When a company financial positions turns downward, there is normally a corresponding increase in the pressure to search for lower cost alternatives to current suppliers of goods and services. That is to say, people tend to shop around more and are generally more receptive to new ideas and concepts. We see both the increase in regulations and likely enforcement actions and the cost containment pressure as opportunities for SampleServe.

Soil Boring Logging Software Company Partnership
A frequent request from customers and potential customers is the addition of soil boring logging functionality. Soil boring logs are prepared typically when a soil boring is conducted for the purpose of installing a groundwater monitoring well . They are also installed to determine the extent of soil contamination. We have not emphasized this development previously it for the reason that it is typically a quote one off quote installation and not a significant source of ongoing potential revenue. We have identified and been having conversations with a company that provides web-based soil boring logging software about a potential stock swap acquisition of their company. The current owner is interested in motivated and we see this as a quick and hopefully inexpensive way to service our customers' needs and expand our product offering. No specific offers or contracts have been made we are simply doing due diligence at this point.

Marketing Efforts
As I indicated in my last update, SampleServe hired a Digital Marketing Director. We've made several videos and are using these videos in LinkedIn Advertising various other organic postings. The YouTube versions of those adds can be seen here on YouTube. Please note that the LinkedIn view is direct to LinkedIn and not counted via the YouTube links here.
Field App Video: https://youtu.be/mO2X4f45vQU
Lab App Video: https://youtu.be/s_n543sEcmw
Reporting Efficiency Video: https://youtu.be/UobKOs88NMs
Property Owner Video: https://youtu.be/VgPErAQEQmM
General Overview Video: https://youtu.be/djoooTnmQxo

Our views and clicks are performing significantly better than average for LinkedIn, and we have had a marked increase in the amount of inquiries and demo's since we started advertising about 2-weeks ago. We plan to continue to tweak and optimize the ads and with A/B testing and new video's and content weekly.

Questions
I'm happy to answer any questions or provide additional detail on the items mentioned above. If you would like to talk to a current customer or 2, let me know and I can make that arrangement as well. I'm also happy to talk or have an in person or a web meeting at your convenience. I can be contacted via the discussion board on our Netcapital page.

Also, feel free to forward this e-mail to anyone you may feel is interested. If you would like to opt out of future emails, simply reply and I will take you off the list.

Thanks for taking the time to look at the SampleServe Update!