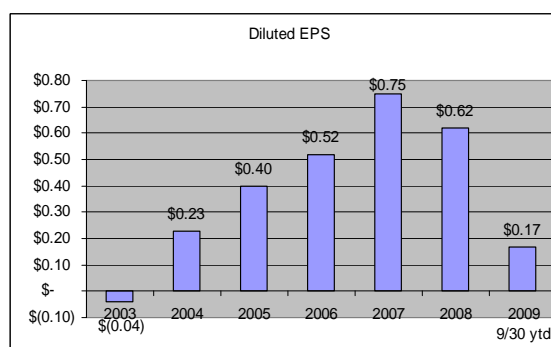
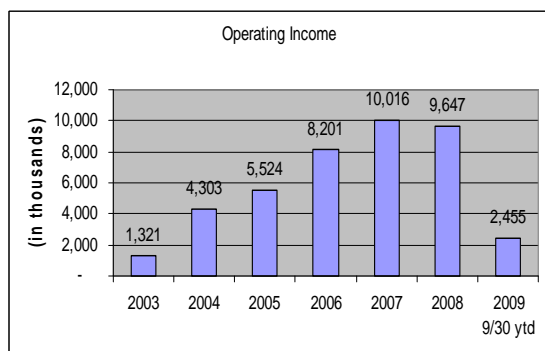
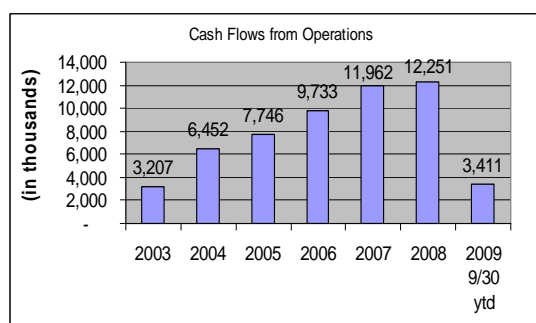
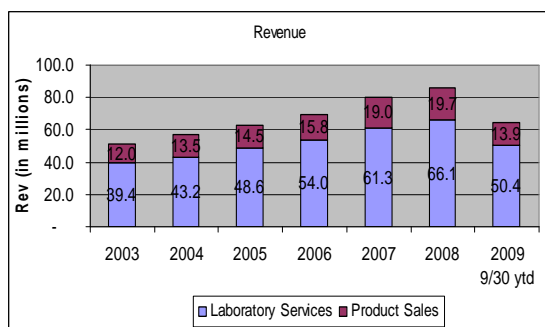


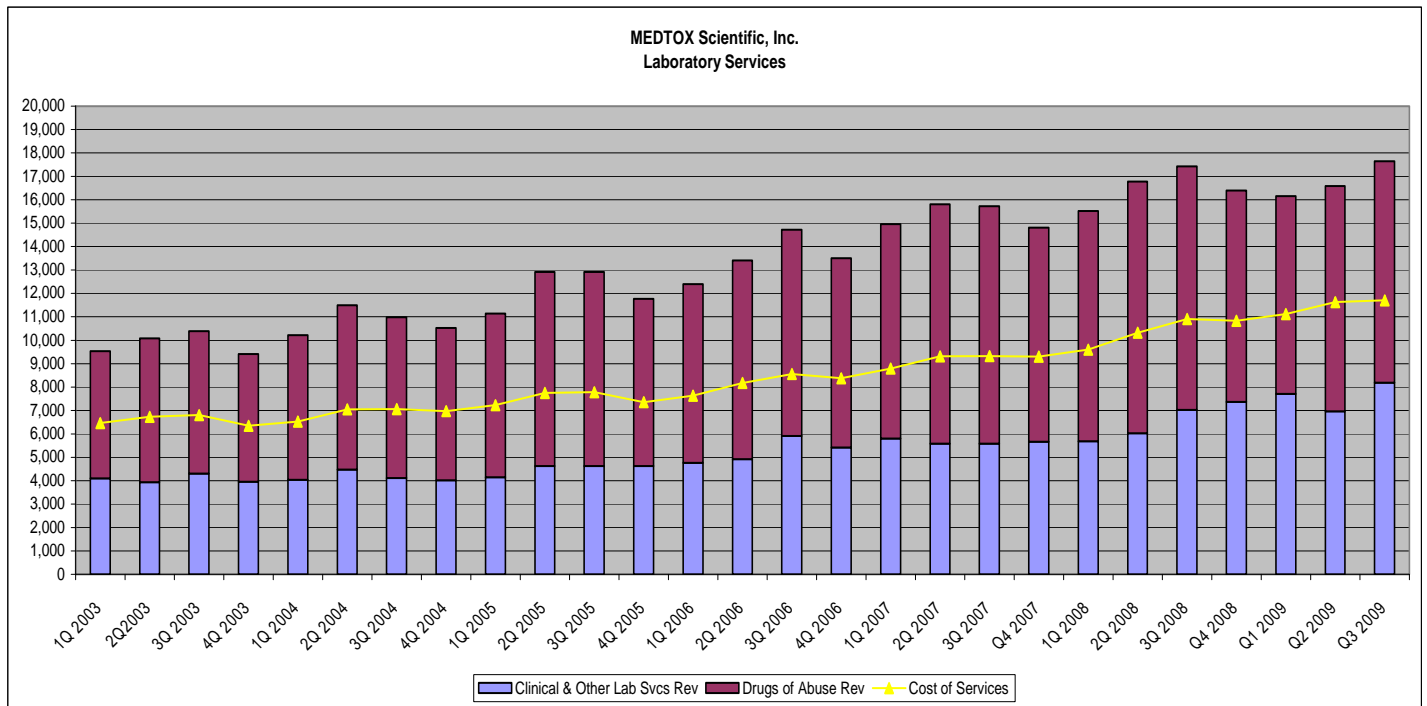
**Strategy:**

- Profitable growth
- Build market share in large markets (relative to our size) by offering high quality products and services, priced competitively and supported by value added services
- Leverage existing infrastructure and technical expertise to improve operating margins and facilitate top line growth
- Drive innovation
- Disciplined execution

**Historical Performance**

| Period Ending:                           | 12/31/2008 | 12/31/2007 | 12/31/2006 | 12/31/2005 | 12/31/2004 | 12/31/2003 |
|------------------------------------------|------------|------------|------------|------------|------------|------------|
| <b>Liquidity Ratios</b>                  |            |            |            |            |            |            |
| Current Ratio                            | 281%       | 197%       | 210%       | 196%       | 124%       | 111%       |
| Quick Ratio                              | 240%       | 163%       | 156%       | 144%       | 83%        | 75%        |
| Cash Ratio                               | 42%        | 19%        | 14%        | 15%        | 2%         | 5%         |
| Inventory Turnover                       | 2200%      | 2053%      | 1973%      | 1910%      | 1566%      | 1444%      |
| <b>Profitability Ratios</b>              |            |            |            |            |            |            |
| Gross Margin                             | 42%        | 45%        | 44%        | 43%        | 42%        | 39%        |
| Operating Margin                         | 11.2%      | 12.5%      | 11.7%      | 8.8%       | 7.6%       | 2.6%       |
| Pre-Tax Margin                           | 10%        | 12%        | 10%        | 7%         | 5%         | -1%        |
| Profit Margin                            | 6%         | 8%         | 7%         | 5%         | 3%         | -1%        |
| Pre-Tax ROE                              | 14%        | 17%        | 15%        | 9%         | 8%         | -1%        |
| After Tax ROE                            | 9%         | 12%        | 9%         | 7%         | 5%         | -1%        |
| Operating Expenses as a Percent of Sales | 31.1%      | 32.8%      | 32.7%      | 34.3%      | 34.4%      | 36.2%      |





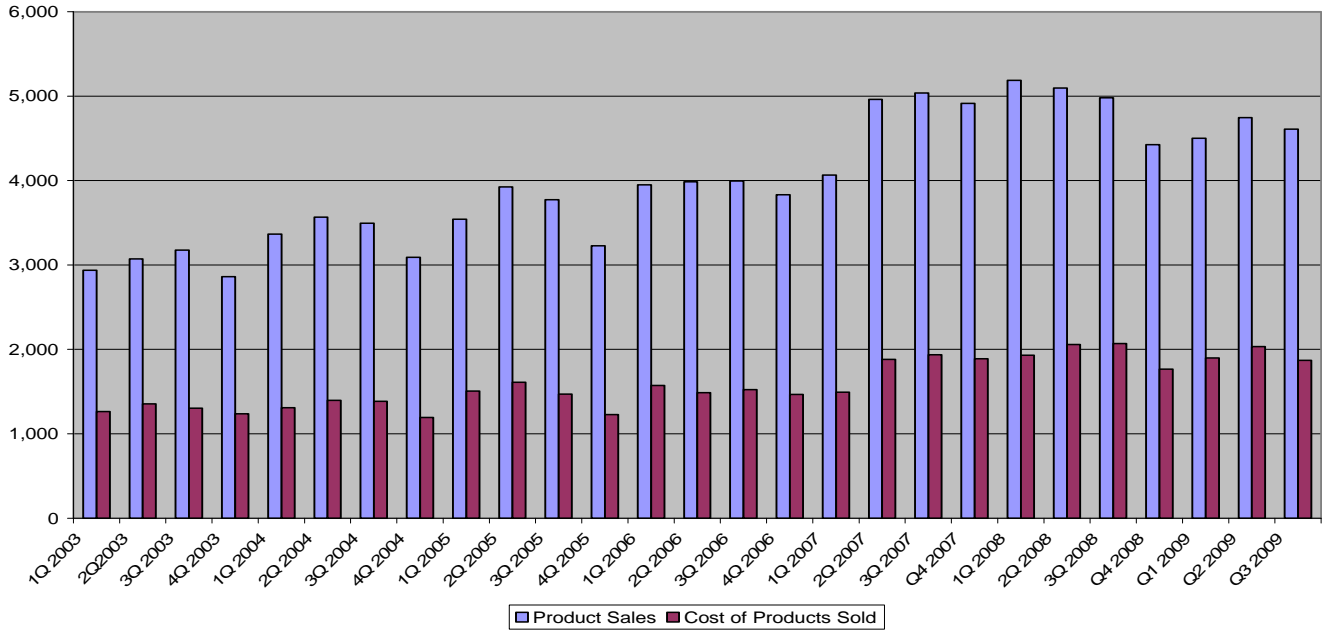
### Drugs-of-Abuse Testing

- \$500 million market
- 2008 revenues \$40 million
- 2009 YTD through Sept - Revenues from existing clients declined \$8.1 million or 26% due to economic conditions
- 2009 YTD through Sept – Strong revenues from new clients of \$4.7 million mitigated decline from existing clients
- Economic recovery will drive higher testing volumes from both existing and new clients
- High fixed cost business
- Significant contribution margin on incremental revenues

### Clinical and Other Laboratory Services

- \$50 billion market
- 2008 revenues \$26 million
- Significant investment in 2008 to expand clinical laboratory capabilities
- Expanded capabilities
  - Anatomic pathology
  - Molecular diagnostics
  - Microbiology
  - Flow cytometry
  - Expanded toxicology and core lab test menus
- Increased cost of services short term pressure on margins
- Provided strong basis for growth
- Opportunity for margin expansion as revenues grow
- Revenue growth
  - Significant growth starting Q3 2008
  - 2009 YTD through September revenues up 22%
- Other Growth Drivers
  - Clinical Trials
    - Bio-analytical
    - Safety labs
  - Pain Management - *ToxASSURE*<sup>®</sup>
- Other Testing areas
  - Clinical toxicology
  - Testing for occupational health clinic
  - Testing for physician offices
  - Heavy metal, trace elements and solvent analysis

**MEDTOX Scientific, Inc.  
 Diagnostic Products**



**Point-of-collection testing products for drugs-of-abuse testing**

- \$400 - \$500 million market
- 2008 revenues \$20 million
- Historically 55 – 62% gross margin business

**Markets**

- **Workplace drugs-of-abuse testing**
  - PROFILE® product line
  - 2009 YTD revenues through Sept down 26% due to economic conditions impacting hiring
  - Economic recovery provides opportunity for growth as hiring activities rebound
- **Criminal justice and drug rehabilitation**
  - Strong growth area
  - SURE-SCREEN® and VERDICT®-II product lines
  - ClearCourse®
    - Unique product offering
    - Drug Abuse Recognition System (DARS™)
    - SURE-SCREEN® point-of-collection drug screening with lower drug detection levels
    - Laboratory based confirmation
    - WEBTOX® online data management
- **Hospital**
  - High margin market
  - PROFILE® ER product line
  - Drug detection in patients seen in the hospital and emergency rooms
  - MEDTOXScan® Drugs-of-Abuse Test System
    - Strong growth driver in 2007 for device sales in the hospital market
    - Voluntary recall of reader for misbranding in January 2008 stalled sales growth in the market
    - 510(k) clearance received for reading 9 drugs in February 2009, additional 3 drugs cleared July 2009
    - Significant opportunity to regain previous sales growth momentum in hospital market



## Summary

- **Well positioned to ride out the recession**
  - Growing market share in drugs-of-abuse testing
  - Increased revenue diversification
  - Growth drivers in non-employment related areas
  - Strong balance sheet
  - Positive cash flow
  
- **Well positioned for revenue growth and margin expansion in economic recovery**
  - Drugs-of-abuse testing high fixed cost business
  - Significant contribution margin on incremental revenues
  - Economic recovery and increased hiring levels provide opportunity for significant revenue and margin growth in both laboratory services and diagnostic products segments of the business

### Laboratory Comps

| Ticker      | Company                  | Price<br>10/28/09 | Price/Sales<br>(ttm): | Price/Book<br>(mrq): | Value/Revenue<br>(ttm): | Value/EBITDA<br>(ttm): |
|-------------|--------------------------|-------------------|-----------------------|----------------------|-------------------------|------------------------|
| DGX         | Quest Diagnostics        | 55.90             | 1.39                  | 2.64                 | 1.76                    | 8.14                   |
| LH          | LabCorp                  | 70.00             | 1.64                  | 3.75                 | 1.91                    | 8.14                   |
| BRLI        | Bio-Reference Labs       | 33.39             | 1.35                  | 3.95                 | 1.40                    | 10.71                  |
| PMD         | Psychemedics             | 5.36              | 1.46                  | 3.06                 | 1.20                    | 9.68                   |
| CVD         | Covance                  | 52.37             | 1.75                  | 2.42                 | 1.85                    | 10.63                  |
|             | Median                   |                   | 1.46                  | 3.06                 | 1.76                    | 9.68                   |
|             | Average                  |                   | 1.52                  | 3.16                 | 1.62                    | 9.46                   |
| <b>MTOX</b> | <b>MEDTOX Scientific</b> | <b>9.89</b>       | <b>0.99</b>           | <b>1.37</b>          | <b>0.96</b>             | <b>9.20</b>            |

### Diagnostic Products Comps

| Ticker      | Company                  | Price<br>10/28/09 | Price/Sales<br>(ttm): | Price/Book<br>(mrq): | Value/Revenue<br>(ttm): | Value/EBITDA<br>(ttm): |
|-------------|--------------------------|-------------------|-----------------------|----------------------|-------------------------|------------------------|
| IMA         | Inverness                | 38.84             | 1.73                  | 1.16                 | 2.55                    | 11.49                  |
| OSUR        | OraSure                  | 3.22              | 2.11                  | 1.40                 | 1.08                    | (8.27)                 |
| VIVO        | Meridian Bioscience      | 22.34             | 6.36                  | 6.70                 | 5.99                    | 16.51                  |
| QDEL        | Quidel                   | 14.55             | 3.34                  | 3.71                 | 2.89                    | 9.85                   |
|             | Median                   |                   | 2.73                  | 2.56                 | 2.72                    | 10.67                  |
|             | Average                  |                   | 3.39                  | 3.24                 | 3.13                    | 7.40                   |
| <b>MTOX</b> | <b>MEDTOX Scientific</b> | <b>9.89</b>       | <b>0.99</b>           | <b>1.37</b>          | <b>0.96</b>             | <b>9.20</b>            |