



Imagin Medical Reports Fiscal 2018 Third Quarter Results

VANCOUVER, B.C. and BOSTON, Aug. 14, 2018 -- Imagin Medical (CSE:IME) (OTCQB:IMEXF) (Frankfurt:DPD2) (Stuttgart:DPD2) ("Imagin" or the "Company") today reported financial results for the three months ended June 30, 2018. All amounts, unless specified otherwise, are expressed in Canadian dollars and are presented in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, applicable to the preparation of interim financial statements, including IAS-34, Interim Financial Reporting.

Recent Developments

- Completed an oversubscribed private placement for total gross proceeds of \$3,942,360.
- Uplisted to the OTCQB Venture Market.
- Announced favorable results in the 10-subject investigator-sponsored research study being conducted at the University of Rochester Medical Center using the i/Blue Imaging System (the "URMC Research Study").
- Reported that Optel, Inc., Imagin's opto-electronic design firm, successfully completed the Proof of Concept phase of product development, verifying the performance of the two critical optical modules of the i/Blue Imaging System – the light source module and the imaging module.

"We have made significant progress to-date in the development of the i/Blue Imaging System," said Jim Hutchens, Imagin's President and CEO. "Moving forward, the proceeds from the recent private placement financing provides us with the necessary resources to continue executing our plans to bring this potentially game-changing technology to doctors and their patients. To that end, we anticipate submitting a pre-submission package to the FDA by the end of the calendar third quarter, and we will also be working closely with Optel to complete the functional unit, the second phase of our product development."

Summary Fiscal 2018 Third Quarter Financial Results

Total operating expenses for the third quarter of fiscal 2018 were \$1,041,809, compared to \$275,463 from the same quarter in 2017, and consisted primarily of general and administrative ("G&A") and research and development ("R&D") expenses. G&A expenses for the three months ended June 30, 2018 were \$740,446, compared with \$197,583 in the same quarter a year ago. The increase in G&A expenses was largely attributable to an increase in legal and marketing fees. R&D expenses for the quarter ended June 30, 2018 were \$301,361, compared with \$77,880 for the same quarter in 2017. The increase in R&D expenses was primarily related to the work performed by Optel, as well as fees related to the URMC Research Study.

Net other expense, consisting primarily of non-cash stock-based compensation, offset partially by interest income and foreign exchange gains, was \$735,592 in the third quarter of fiscal 2018, compared with net other expense of \$22,161, consisting primarily of non-cash stock-based compensation and foreign exchange losses, in the same quarter in 2017.

Net loss for the three months ended June 30, 2018 was \$1,751,665, or \$0.02 loss per common share, as compared to a net loss of \$298,242, or \$0.01 loss per common share, for the three months ended June 30, 2017.

Liquidity and Outstanding Share Capital

As of June 30, 2018, the Company had cash of \$6,045,863.

As of August 14, 2018, Imagin had an unlimited number of authorized common shares with 128,187,238 common shares issued and outstanding.

The Company's financial statements and management's discussion and analysis are available on www.sedar.com.

About Imagin Medical

Imagin is developing powerful new imaging solutions for the detection and visualization of cancer. The Company believes its technology will radically improve physicians' ability to visualize, identify and remove cancerous cells during minimally invasive surgeries. Imagin's initial target market is bladder cancer, the sixth most common cancer in the U.S., and the costliest cancer to treat due to a greater than 50% recurrence rate. Developed at the Lawrence Livermore National Laboratory, Imagin's advanced, ultrasensitive imaging technology is based upon improved optical designs and advanced light sensors. Learn more at www.imaginmedical.com.

Forward-Looking Statements

Information set forth in this news release contains forward-looking statements. These statements reflect management's current estimates, beliefs, intentions and expectations; they are not guarantees of future performance. The Company cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of

material factors, many of which are beyond the Company's control. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Specifically, there is no assurance the Company's imaging system will work in the manner expected. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information. The CSE has neither approved nor disapproved the information contained herein and does not accept responsibility for the adequacy or accuracy of this news release.

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