



Imagin Medical Reports Fiscal Year End 2018 Results

VANCOUVER, British Columbia and BOSTON, Dec. 20, 2018 -- Imagin Medical (CSE: IME) (OTCQB: IMEXF) (Frankfurt & Stuttgart Symbol: DPD2) ("Imagin" or the "Company") today reported financial results for the year ended September 30, 2018. All amounts, unless otherwise specified, are expressed in Canadian dollars and are presented in accordance with International Financial Reporting Standards (IFRS).

Select Corporate Developments Since Beginning of Fiscal 2018

- Closed two non-brokered Private Placements for gross proceeds of \$1,000,000 and \$3,942,360, respectively
- Announced that Optel, Inc., Imagin's opto-electronic design firm, will begin the redesign of the i/Blue™ Imaging System prototype for manufacturability and commercialization
- Reported favorable results from the 10-subject, investigator-sponsored, first in-human study of the i/Blue Imaging System at the University of Rochester Medical Center
- Reported that Optel 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
- Welcomed John Vacha as CFO and a director of the Company; Pam Papineau as Director of Regulatory Affairs; and Chris Bleck as a director of the Company
- Uplisted the Company's common shares to the OTCQB Venture Market
- Submitted pre-submission package to the U.S. Food and Drug Administration ("FDA"), marking the initiation of the FDA process for the i/Blue Imaging System

"We continued to advance the development of the i/Blue Imaging System over the past year, hitting important milestones on the path to expected commercialization in 2020," said Jim Hutchens, Imagin's President and CEO. "Our focus for the first half of 2019 will be on completing the final product, initiating clinical studies and meeting with the FDA to define the i/Blue Imaging System's regulatory pathway."

Summary Fiscal Year End 2018 Financial Results

Total operating expenses for the fiscal year 2018 were \$7,958,086, compared to \$1,542,102 in 2017, and consisted primarily of general and administrative ("G&A") and research and development ("R&D") expenses. G&A expenses for the fiscal year 2018 were \$4,110,139, compared with \$1,016,188 in 2017. The increase in G&A expenses was primarily attributable to \$1,786,998 in advisory fees and marketing costs related to private placements. R&D expenses for the fiscal year 2018 were \$888,200, compared with \$361,349 in 2017. The increase in R&D expenses was primarily related to the design and development work performed by Optel Inc., Engineering Consulting, Regulatory and Quality costs as well as fees related to the URM Research Study.

Net other expense, consisting almost exclusively of stock based compensation, was \$2,959,747 in the fiscal year 2018, compared with net other expense of \$164,565, consisting almost exclusively of stock based compensation, in 2017.

Net loss for the fiscal year 2018 was \$7,958,086, or \$0.07 loss per common share. This included approximately \$4,000,000 in non-cash expense related to stock based compensation. For the fiscal year ended September 30, 2017, the net loss was \$1,542,102, or \$0.03 loss per common share.

Liquidity and Outstanding Share Capital

As at September 30, 2018, the Company had cash of \$5,818,840.

As at December 20, 2018, Imagin had an unlimited number of authorized common shares with 139,020,778 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 detect cancer with minimally invasive endoscopes, improving their ability to visualize, identify and remove cancerous cells. 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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