

Relay Medical Reports Progress on Enhanced HemoPalm System Design and Provides Update on Product Development and Market Advancement Activities

Toronto, Ontario--(Newsfile Corp. - February 7, 2019) - Relay Medical Corp. (CSE: RELA) (OTCQB: RYMDF) (FSE: EY2) ("**Relay**" or the "**Company**"), an engine of MedTech innovation, is pleased to report on the advancement of the Company's HemoPalm technology and Relay's enhanced HemoPalm system design as well as market advancement activities as the Company continues to build toward productization of this unique point-of-care (POC) testing platform.

Relay is developing the HemoPalm technology to provide the *in vitro* diagnostics market with an efficient and complete enterprise solution for POC blood gas and CO-oximetry testing. The HemoPalm technology combines the capabilities of modern hand-held or ultraportable devices to measure blood gas and electrolyte parameters with the measurement of a full panel of CO-oximetry results, using a disposable, unit-use cartridge. The Company believes such a device will hold a significant competitive advantage in the marketplace.

In 2018, CEO Lahav Gil led the build-out of the HemoPalm business and techno-commercial development team. The team conducted substantive research and analysis into "Path to the Market" and "Path to the Exit" strategies to support product development and guide the HemoPalm's productization plan. These initial activities were outlined in the Company's press release dated August 2, 2018.

Relay is pleased to report that as a result, the HemoPalm system design parameters have been enhanced to address both market needs and those of potential exit partners. Relay's new HemoPalm system design reflects a "complete healthcare enterprise solution" approach that addresses integration with existing hospital infrastructure, workflow, and regulatory requirements and includes flexibility to meet the needs of a wide range of users and applications. The Company has also reconfirmed the importance of its modular design approach to enable expansion of the test panel in future.

Some of the notable product design and technology advancements include:

- a. **Design and architecture of cartridge:** Significant improvements were made in the design and architecture of the cartridge to improve high volume manufacturability and to reduce the cost of manufacturing and the cost of ownership. A low disposable cartridge cost is one of the key criteria for exit partners in selecting new technologies.
- b. **Analyzer and System Design:** The output of market analysis and consultation has allowed the further development of product design specifications for the analyzer and supporting system components in order to achieve optimal form and function in a complete "enterprise" solution.
- c. **CO-oximetry:** Analytical strategies have been developed to overcome the challenges of direct measurement of whole blood samples, with excellent results from preliminary "challenging" test samples.
- d. **Sample Introduction:** As the product is being developed to be used in multiple settings, with varying user skill sets, ease of use is critical and has been a focus of Relay's development team. Improvements to simplify the introduction of blood samples to the device have been incorporated into the latest cartridge design.

Additionally, the Company has engaged with counsel and industry advisors to further optimize intellectual property protection, both as a core asset and as blocking IP against larger competitors who might desire to incorporate the HemoPalm technology into their product offerings.

"Our optimized HemoPalm system design is the result of a robust understanding of the needs and requirements of the clinical and commercial stakeholders in the marketplace. When productizing a technology like the HemoPalm, it is crucial that you interface with end users and distribution companies and have a complete understanding of product requirements at the clinical and enterprise level as well as how it fits in the marketplace alongside other devices in medical care environments. Relay's HemoPalm system design addresses the critical value proposition and product features for multinational distributors, including the most critical of all, cartridge cost and total cost of ownership. 2019 will be an acceleration year for the technology and I'm very confident that we will be in a position to make key strategic decisions regarding the optimization of HemoPalm value to the Company," said Lahav Gil, CEO, Relay Medical Corp.

Relay continues to advance the HemoPalm technology and system design to enhance its unique commercial opportunities in the POC diagnostics marketplace. Further, the Company believes that this advanced Point-of-Care solution for blood gas and CO-oximetry testing on a unit-use portable platform has the potential to improve the cost, quality, timeliness, and efficiency of patient care and increase the satisfaction of healthcare providers and their patients.

About Relay Medical Corp.

Relay Medical is an evolving "Integrated MedTech Accelerator" headquartered in Toronto, Canada, acquiring early-stage technologies and inventions, advancing and preparing them for pre-commercial acquisitions in the HealthTech marketplace. By integrating the funding, development and exit process into one organization led and managed by one expert team, Relay Medical is building the capacity to accelerate and transact technologies with high efficiency and grow into a leading engine for MedTech innovation in the global HealthTech marketplace.

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