

Relay Medical Commences Second Pharmatrac User Study and Reports on Development Activities

Toronto, Ontario--(Newsfile Corp. - May 16, 2019) - Relay Medical Corp. (CSE: RELA) (OTC: RYMDF) (FSE: EIY2) ("**Relay**" or the "**Company**"), an engine of MedTech innovation, reports on Pharmatrac development activities and the commencement of a user study on the Pharmatrac in-home countertop medication appliance.

In early February the Company reported on the Pharmatrac digital medication label hardware design following the completion of the first Relay-led user study. Following further business development, and user study analysis the Company is pleased to report on the development of a patent-pending design for an in-home countertop medication appliance. The appliance is designed to allow patients to interact with their medications without modification to their current behavior while simultaneously introducing value-add features to reduce patient and caregiver confusion around medication adherence.

The Company has commenced a second user study to test the in-home countertop medication appliance. The study has been designed to evaluate how a central appliance in the medication experience can have positive effects on adherence to treatment protocols and add value to the interaction between patient and patient's remote caregiver.

Preliminary results from the user study demonstrate robustness of the system (i.e., the appliance and associated cloud platform) and are suggestive of a strong product-market fit.

"It is especially moving to see how our system, even in pre-commercial stages can improve the communications and relationship between caregivers and patients. The adherence issue is complex and requires a holistic though simple approach that we are delivering with the Pharmatrac system design. Medication adherence is a universal challenge; we believe the solution, too, must be universal. It must be adaptable to suit the varied needs, preferences, and habits of individual patients and the range of medication dispensing practices which vary regionally. We believe that our Pharmatrac system delivers the simplicity and flexibility necessary for broad appeal within health maintenance organizations (HMOs), pharmacy chains, and the retail consumer market, alike," said Lahav Gil, CEO, Relay Medical Corp.

Current Pharmatrac development is focused on making the system highly configurable to support a wide variety of medication use cases with regimens ranging from one medication taken for a matter of days to over 10 medications taken indefinitely and with medication containers ranging from pill bottles, to blister packs, and ointments tubes.

Other notable development activities/initiatives include:

1. Successful testing of a high-quality mini-speaker embedded in the digital medication label to produce audible alerts and verbal cues to encourage adherence and provide feedback;
2. Launched a data science project to develop capabilities to predict when a patient is at risk of non-adherence and trigger digital interventions to increase likelihood of adherence;
3. Designed the user interface of a mobile app to upload the patient's medication protocol to the digital medication label(s), remind the patient when it is time to take their medications, and provide the patient with reports on adherence history, symptom history and medication inventory;
4. Developed an initial release of a secure cloud platform for storage and analysis of user study results; and
5. Developed design concepts to adapt the digital medication label for compatibility with medication blister packs

The Pharmatrac business development team continues to engage with users and purchasers of the system in Canada and internationally to capture the voice of the customer and develop trial programs with strategic partners to demonstrate market traction.

Pharmatrac Market

Medication non-adherence is a world-wide problem that costs payors and healthcare systems billions of dollars annually and puts consumers at significant risk. There is a growing need for assistance in the management of medications and for information related to adherence to improve efficiencies in the pharmaceutical ecosystem.

Prescriptions have risen by approximately 85% since 1997(1) to an estimated 4.5 billion a year in the United States and while seniors make up only 12% of the population they account for over 30% of all over-the-counter medication use(2). Individuals have a difficult time managing their medications which results in un-necessary hospital admissions, in 2014 nearly 1.3 million US citizens sought emergency room treatment for adverse drug effects and approximately 124,000 died.(1)

In North America it is estimated that patient compliance and medication adherence is less than 50%(3) which means more than half of patients/consumers are likely to improperly take or skip medications, appointments, and other treatment protocols.

Footnotes

1 Source: Consumer Reports (2017)

2 Source: APHA (2010)

3 Source: The World Health Organization (2003)

Pharmatrac System

The Pharmatrac is a UX-centric (user experience) system designed to improve management and identification of medications. The system offers sophisticated smart solutions to patients, caregivers and other stakeholders in the pharmaceutical prescription lifecycle.

The initial stage of commercialization will be the launch of the 1st generation consumer product that consists of a suite of interactive trackers and apps being developed to connect with an AI-driven analytics platform. The consumer product is being designed to integrate with current and evolving smart home systems and enables consumers and caregivers to confidently identify, track, and monitor medications by utilizing audio labels, sensors, cloud, AI and Bluetooth technology, to influence user habits.

The digital medication label is designed to communicate seamlessly with the hardware and software apps in the current product release pipeline, to create a comprehensive suite of products and services to cater to the needs of patients and care givers. The hardware and apps will enhance and simplify medication management for both patient and caregiver, as well as gathering rich data for the patient/caregiver and for the Providers and Payors. The cloud-based AI, analytics and predictive algorithms will provide unprecedented value to all stakeholders.

The 1st generation Pharmatrac is planned for commercial launch in 2020.

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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Except for statements of historic fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. There are no assurances that the commercialization plans for the HemoPalm product described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, which filings are available at www.sedar.com.



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