

NEWS RELEASE

Biosenta Issues News Release Correcting Continuous Disclosure Documents and Provides Supplemental Information

January 20, 2020 – Toronto, Canada – Biosenta Inc. (“**Biosenta**” or the “**Company**”) listed on the CSE (CSE:ZRO) issues this news release to supplement and correct certain disclosure in the Company’s management discussion and analysis for the year ended September 30, 2018 (the “**2018 MD&A**”), for the three months ended December 31, 2018 (the “**Q1 MD&A**”), for the six months ended March 31, 2019 (the “**Q2 MD&A**”) and the nine months ended June 30, 2019 (the “**Q3 MD&A**”) (collectively, the “**Revised MD&A**”), the interim financial statements for the six months ended March 31, 2019 (the “**Q2 FS**”) and the nine months ended June 30, 2019 (the “**Q3 FS**”) (together with the Q2 FS, the “**Revised Financials**”) and to correct certain disclosure on the ZeroMold™ website, www.zeromold.com. Each of the Revised MD&A and the Revised Financials have been refiled on the Company’s SEDAR profile. These revisions and refilings were made as a result of a review by staff of the Corporate Finance Branch of the Ontario Securities Commission (“**OSC**”) in connection with an OSC review.

The Company has removed from the Revised MD&A comments relating to the engagement of certain leading-edge consulting firms, as discussions with these firms have ended.

The Company has added disclosure to the Revised MD&A to clarify that discussions between Biosenta and Polski Bazalt/STM Technology are still ongoing.

The Company has clarified the status of its intellectual property in the Revised MD&A to reflect that (i) Biosenta is currently the exclusive owner of all patents relating to the ‘dry’ product, except for Saudi Arabian, Mexican and Chinese patents which remain in the name of 2262554 Ontario Inc.; (ii) Biosenta is the exclusive owner of the U.S. patent relating to the ‘wet’ product, (iii) Biosenta co-owns the Canadian and European patent applications relating to the ‘wet’ product with Ed Pardiak, and (iv) Biosenta is currently assessing its legal options to finalize the records of the assignments from Ed Pardiak relating to the ‘wet’ product in Canada and Europe.

The Company has revised discussions in the Revised MD&A regarding the testing of the *Tri-Filler* product to reflect the fact that future testing of *Tri-Filler* will be undertaken pursuant to the joint venture agreement (the “**JV Agreement**”) entered into between Biosenta and Microbial Research Products dated August 27, 2018. The Company has also included in the Revised MD&A further details regarding the finalization and implementation of the JV Agreement.

The Company has revised the Q1 MD&A, Q2 MD&A and Q3 MD&A to reflect the ongoing regulatory approval process of the product *True* in the United States. The Q1 MD&A, Q2 MD&A and Q3 MD&A were also amended to reflect the details of the F&M Marketing Agreement, entered into between Biosenta and F&M Merchant Group LLC, which provides for the marketing and launch of *True* in the United States.

The Company has included in the Revised MD&A disclosure regarding the impairment loss of \$1,606,499 in the year ended September 30, 2018. This impairment loss flows from the decision to impair the tangible asset value of the license agreement between Biosenta and Marcus Martin from \$1,606,500 to \$1. This decision followed an assessment by management of the recoverability of the carrying value of the intangible asset.

Disclosure in the Revised MD&A has been updated to reflect the fact that the production of ZeroMold™ has temporarily ceased due to cash flow restraints. The Company has also updated the ZeroMold™ website, www.zeromold.com, and the Company’s website, biosenta.com, to reflect the temporary cease of production and distribution of ZeroMold™.

BIOSENTA INC

The Company has removed certain forward-looking statements from the Revised MD&A regarding its *True*, *Erase* and *Purity* products. The Company has also removed forward looking statements discussing STM Technology's forecasted use of the *Tri-Filler* products.

The Company has clarified in the Revised MD&A that the launch of *True* will cost the Company approximately \$20,000 but no additional costs are expected relating to the launch of *Erase*, the Canadian equivalent of the U.S. product *True*. The Company plans to finance the launch of *Purity* through strategic partnerships. No strategic partnerships have been secured as of yet. The Company has also clarified the anticipated timing of the launch of these products. Biosenta currently plans to launch *True* after the remaining U.S. regulatory approvals are secured. The Company forecasts the launch of *Erase* to occur in Q3 2020, but this is subject to the successful launch of *True* in the U.S. While timing is dependent on the resolution of Biosenta's current financial difficulties and on securing additional financing from strategic partnerships, Biosenta plans to launch *Purity* in Q2 2021.

The Company has removed reference to the revocation of the cease trade order in the Revised MD&A as this statement was an oversight.

The Q2 FS and the Q3 FS have been revised to include a comparative statement of changes in equity for the corresponding interim period in the immediately preceding financial year.

The Company has added a discussion to the "Liquidity and Capital Resources" section of each of the Revised MD&A discussing the use of the JV Agreement to provide Biosenta with a consistent cash flow which will be used for general ongoing operational costs as well as administrative costs.

The Company has amended the "Related Transactions" sections of each of the Revised MD&A to include additional information regarding loans made from each of Amarvir Singh Gill, David Butler, Edwin Korhonen and Nicholas Iacono, each director of the Company, and loans made by joint ventures DK Financials Consulting Inc. and 1943391 Ontario Inc. pursuant to the JV Agreement.

The Company has added a discussion regarding management compensation to the MD&A to promote transparency and to explain that Named Executive Officers are compensated based on the combination of (i) a discretionary annual salary, and (ii) an annual performance bonus and incentive stock options.

The Company has removed from the Revised MD&A certain information that was disclosed in previous MD&A and is not relevant to the periods to which the Revised MD&A pertain. The information which was removed includes, but is not limited to, discussions regarding the recovery of \$153,000 of commissions pursuant to a private placement, and discussions regarding patents in Saudi Arabia and China. Both the private placement and the international patents were discussed in previous MD&A and there are no material updates regarding these which need to be disclosed in the Revised MD&A.

About Biosenta Inc.

Biosenta Inc. develops and manufactures a range of chemical compounds for household and industrial applications using advanced encapsulated nanotechnology.

Other household disinfectants and cleaners possess similar levels of efficacy as traditional disinfectants. but Biosenta products contain significantly lower concentrations of active ingredients resulting in lower toxicity.

Biosenta disinfectants and cleaners will kill 99.9% of potentially deadly mold, fungi, bacteria and viruses on contact and prevent re-growth. Biosenta disinfectants are very safe due to the very low toxicity. Biosenta industrial compounds are embedded to protect various materials, including drywall, plastic and resins, from microbe formation.

These compounds remain active for decades and protect the drywall of buildings, objects such as resin furniture, and carpet rubber backing and synthetic tufts which contain plastic or resin, as well as textiles



and paper from mold, fungi, bacteria and viruses. Both the Biosenta household and industrial products are environmentally safe and biodegradable.

Disclaimer

The CSE has in no way passed upon the contents of this news release and further, has neither approved nor disapproved of the contents of this news release. Neither the CSE nor its Regulation Services Provider (as such term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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