

NANOSPHERE HEALTH SCIENCES INC. SIGNS LICENSE AGREEMENT TO OPEN CALIFORNIA MARKET

DENVER – January 23, 2018 - NanoSphere Health Sciences Inc. (CSE: NSHS, “NanoSphere”) is pleased to announce that it has signed an agreement to license its technology, as it pertains to cannabis products, in the State of California. According to ArcView’s 2016 Annual Industry Report, the legal cannabis market in California was \$1.8 billion in 2016, is expected to reach \$3.7 billion this year, and is further projected to exceed \$5 billion in 2019.

The licensee, based in Oakland, California, is a private-label manufacturer of pharmaceutical goods for more than 35 leading brands in the legal cannabis space. The agreement provides the manufacturer with a non-exclusive license to NanoSphere’s patent pending NanoSphere Delivery System™ and its branded Evolve NanoSerum™ line. Evolve NanoSerum™ is the first clinically tested transdermal cannabis product to show pain relief within minutes.

The manufacturer, in joint venture with NanoSphere, will establish the Evolve product line as its flagship product across its network of brands, with distribution throughout California.

“Given its population and stature in the legal cannabis space, California represents an incredibly exciting market for us,” said Robert Sutton, Chairman and CEO at NanoSphere. “This new venture not only opens up a huge market, but is a fantastic opportunity to increase our visibility and reputation in the legal cannabis space, and represents a significant stepping stone to reaching even more new patients and consumers with our lauded transdermal delivery system.”

NanoSphere is commercializing its disruptive, next-generation nanoparticle cannabis delivery system platforms under the brand name Evolve Formulas. In July 2017, Evolve launched its acclaimed NanoSerum™ product for the recreational and medical cannabis markets in Colorado. In fewer than six months of sale, the award-winning NanoSerum product has already established itself as a name in the market.

The award-winning Evolve is now available in more than 70 accounts throughout Colorado. NanoSphere plans to expand its network with manufacturers and operators in several states, licensing our technology and bringing the Evolve brand to new U.S. markets, and building on that success by further introducing new product applications. Each product application will be designed to deliver a unique pharmacokinetic and pharmacodynamic profile of cannabinoid activity

and therapeutic applications.

“Since California was the first state to legalize medical use in 1996, the pharmaceutical industry has made great strides in researching the possible medical uses of cannabis,” Sutton concluded. “Accordingly, we are proud to bring the Evolve family of products to patients across the Golden State.”

NanoSphere’s Commitment to Licensing IP

This licensing agreement is another example of the important role intellectual property plays in a healthy and vibrant cannabis landscape. NanoSphere launched its IP licensing program in 2015 and is entertaining several licensing opportunities via a rigorous evaluation process. For more information about NanoSphere’s licensing program, please visit: <https://www.nanospherehealth.com/licensing/>

About NanoSphere

NanoSphere Health Sciences Inc., is a biotechnology firm specializing in the creation of the NanoSphere Delivery System™, a revolutionary platform using nanotechnology in the biodelivery of supplements, nutraceuticals and over-the-counter medications for the cannabis, pharmaceutical and animal health industries, and beyond. The patent-pending NanoSphere Delivery System™ represents one of the most important developments for advancing the non-invasive and user-friendly delivery of biological agents in over 25 years. For more information on NanoSphere, please visit <http://www.nanospherehealth.com>.

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