

NanoSphere Health Sciences and Vertical Companies™ Commence Production in California

Award-Winning Evolve Formulas Transdermal NanoSerum™ To Hit Dispensary Shelves in the Golden State in Time for the Holidays

DENVER--(BUSINESS WIRE)--October 10, 2018--NanoSphere Health Sciences, Inc. (CSE:NSHS) (OTC:NSHSF), the biotechnology leader behind the patented NanoSphere Delivery System™, in partnership with Vertical™, the largest fully integrated company in the legal medical cannabis industry, has officially started production to bring its commercial cannabis brand, Evolve Formulas, into the California market.

NanoSphere announced its licensing agreement with Vertical earlier this year. Vertical will provide planning, permitting, development and operation of cultivation, extraction, manufacturing, distribution and retail facilities in California and other markets across the country in the coming months. As the largest fully integrated company in the medical cannabis industry, Vertical utilizes a 1.2 million square foot grow facility to supply over 220 retail outlet stores including the production of approximately 250,000 grams of oil per month.

“We’re thrilled to break ground and enter the next phase of our partnership with industry leader Vertical by bringing our patented technology to the world’s largest legal cannabis market,” said Robert Sutton, Chairman and CEO of NanoSphere Health Sciences and Evolve Formulas. “With California representing nearly a third of the North American cannabis market, the commencement of production in this powerhouse state marks an enormous step for the Evolve Formulas brand in our national expansion strategy. We are eager to soon share our cutting-edge solutions with a broad audience of consumers in California and beyond.”

“Vertical was proud to present Evolve by NanoSphere at the recent Hall of Flowers trade show for the California legal cannabis industry. As we presented our 25 brands to hundreds of licensed cannabis retailers of California, Evolve stood out for its unique value proposition to patients everywhere,” said J. Smoke Wallin, President of Vertical. “This has led to a backlog of preorders from accounts waiting for us to launch with California compliant packaging in November. The market can’t wait!”

NanoSphere’s cannabis product line, Evolve Formulas, consists of two variations of Transdermal NanoSerum™ applicators, one THC-dominant and one CBD-dominant in formula. Both products leverage the breakthrough NanoSphere Delivery System™, which nano-encapsulates cannabinoid molecules in lipid membranes for transportation through the skin and into the bloodstream within minutes. The result is high bioavailability, minimal wait-time, precision-metered dosing and elimination of adverse side effects. This patented technology is the first and only advanced nanoparticle cannabinoid delivery system and can only be found in NanoSphere Health products.

Evolve Formulas is currently available in over 200 dispensaries in Colorado, with hemp-based products soon to launch in Indiana. California is the first of numerous markets across the country to begin manufacturing the Evolve Formulas products under NanoSphere Health Sciences’ licensing partnership with Vertical.

For more information on NanoSphere Health Sciences, Inc. or to schedule an interview, please contact Gabrielle Wesseldyk at media@nanospherehealth.com or 212-255-0945.

NanoSphere’s Commitment to Licensing IP

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 patented 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. Covered by U.S. Patent No. 10,028,919 and U.S. Patent No. 9,925,149, 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>.

About Evolve Formulas

Evolve Formulas is the provider of the world's first and only scientifically proven nanoparticle delivery system in cannabis. Evolve’s pioneering product, Transdermal NanoSerum™, is a fast-acting, ultra-strength transdermal formula infused with nano-encapsulated cannabis and cannabis extracts. NanoSerum™ immediately penetrates the skin to deliver direct-focused results and intelligently carries a full spectrum of cannabinoids and phytochemicals to receptors throughout the body for systemic healing. Evolve Formula products leverage NanoSphere Health Sciences™ patented NanoSphere Delivery System™. The NanoSphere Delivery System™ is 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. For more information on Evolve Formulas, visit <https://www.evolveformulas.com/>. Follow us on Facebook, Instagram and Twitter.

About Vertical™

Vertical is one of the first and largest vertically integrated companies in the legal medical cannabis industry. We have operations in CA and AZ, combined with strategic partnerships in CO, MI, OR, and other markets which position us well to take advantage of the legalization and normalization of cannabis globally. Vertical is led by an executive team of entrepreneurs and business leaders from the alcohol beverage, agriculture, CPG, distribution, entertainment, food, healthcare and medical industries. Vertical’s operations include planning, permitting, development and operation of cultivation, extraction,

manufacturing, distribution and brands. We have world class capabilities in product development, co-packing, branding, marketing, distribution, education, and legal compliance. Vertical does **Everything Pertaining to Green.**

The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.

Forward Looking Statement Caution

This news release includes forward looking statements that are subject to assumptions, risks and uncertainties. Statements in this news release which are not purely historical are forward looking statements, including without limitation any statements concerning the Company's intentions, plans, estimates, expectations or beliefs regarding the future. Although the Company believes that any forward looking statements in this news release are reasonable, there can be no assurance that any such forward looking statements will prove to be accurate. The Company cautions readers that all forward looking statements, including without limitation those relating to the Company's future operations and business prospects, are based on assumptions none of which can be assured, and are subject to certain risks and uncertainties that could cause actual events or results to differ materially from those indicated in the forward looking statements. Readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance on forward looking statements. Any forward looking statements are made as of the date of this news release, and the Company assumes no obligation to update the forward looking statements, or to update the reasons why actual events or results could or do differ from those projected in the forward looking statements, whether as a result of new information, future events or otherwise.

CONTACT:

On behalf of the Board

Robert Sutton, 720-520-4282

Chairman and CEO

rsutton@nanospherehealth.com

or

NanoSphere Health Sciences, LLC

Gabrielle Wesseldyk, 212-255-0945

gabrielle@rosengrouppr.com

or

Investor Contact:

Victor Goncalves, 204-997-5517

Executive Vice President

vgoncalves@nanospherehealth.com