

Business Growth Spurs Expansion to Larger Lab Facilities in Halifax for Sona Nanotech Inc.

Halifax, Nova Scotia--(Newsfile Corp. - November 22, 2018) - Sona Nanotech Inc. (CSE: SONA) has relocated its laboratory facilities to Halifax as it seeks to capitalise on recent business success and further expand its business in the diagnostics market.

Following a period of recent growth, the company agreed a three-year lease with Innovacorp on October 1 for space at the Technology Innovation Centre on Research Drive.

Previously, Sona's laboratory operations had been based at Saint Francis Xavier University in Antigonish, where the company was originally founded in 2014.

The recent signing of a global distribution agreement and collaborations with industry-leading businesses has led to increased demand for Sona's products and services. Sona's move to larger premises ensures customers' requirements are met while allowing continued business growth and new product development.

Sona's full staff began moving into the Centre this week after several weeks of work to outfit the new facility with state-of-the-art laboratory equipment.

The move was funded in part from a loan from the Atlantic Canada Opportunities Agency (ACOA), which was provided to Sona in May this year (2018).

Sona CEO Darren Rowles said: "This move represents a significant step towards realising our strategic plans through to 2020. Sona has achieved some incredible successes in recent months, including signing several exciting new partnerships and distribution agreements. To keep up with the growing demand for our products and services it was clear we needed larger premises to increase our manufacturing and distribution capacity to support long term growth. Innovacorp's Technology Innovation Centre fit our needs perfectly; the space is flexible and scalable, and the Centre's location, close to the airport and other transport links, is ideal for distributing our products globally. This will provide us with an excellent space in which to develop new and innovative products for the diagnostic and healthcare markets and a base from which to continue our growth as a strong, successful and sustainable business."

Michael Kabalen, Manager, Properties & Incubation for Innovacorp, said: "We are delighted to welcome Sona Nanotech to Innovacorp's Technology Innovation Centre. Sona is an innovative tech company with a unique offering and we have been watching its development with keen interest. We look forward to helping take Sona's business to the next level."

About Sona Nanotech Inc.

Sona Nanotech Inc. is a nanotechnology life sciences firm that has developed two proprietary methods for the manufacture of rod-shaped gold nanoparticles. The principal business carried out and intended to be continued by Sona is the development and application of its proprietary technology for use in multiplex diagnostic testing platforms that will improve performance over existing tests in the market.

Sona's gold nanorod particles are CTAB (cetyltrimethylammonium) free, eliminating the toxicity risks associated with the use of other gold nanorod technologies in medical applications. It is expected that Sona's gold nanotechnologies may be adapted for use in applications, as a safe and effective delivery system for multiple medical treatments, pending the approval of various regulatory boards including Health Canada and the FDA.

Sona is a publicly listed company on the Canadian Securities Exchange existing under the laws of Nova Scotia, with its operations in Nova Scotia.

About Innovacorp

Innovacorp is Nova Scotia's early stage venture capital organization. It works to find, fund and foster innovative Nova Scotia start-ups that strive to change the world. Target industries include information technology, life sciences, clean technology and ocean technology. In addition to risk capital, Innovacorp gives entrepreneurs access to world-class incubation facilities, expert advice and other support to help accelerate their companies.

For More Information

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FORWARD LOOKING INFORMATION

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate",

"intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release includes information relating to the Amalgamation (including the structure of the Amalgamation), the Amalgamation (including shareholder approval, shareholder support, and other terms), the Private Placement (including its completion and the use of proceeds from the Private Placement), the directors and management of the resulting issuer upon completion of the Amalgamation, and the implementation of Sona's business plan. Such statements and information reflect the current view of the Company with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: risks associated with the completion of the Amalgamation and matters relating thereto; and risks associated with the marketing and sale of securities, the need for additional financing, reliance on key personnel, the potential for conflicts of interest among certain officers or directors, and the volatility of the Company's common share price and volume. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

There are a number of important factors that could cause the Company's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others, risks related to Sona's proposed business, such as failure of the business strategy and government regulation; risks related to Sona's operations, such as additional financing requirements and access to capital, reliance on key and qualified personnel, insurance, competition, intellectual property and reliable supply chains; risks related to Sona and its business generally, such as infringement of intellectual property rights and conflicts of interest. The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. While the Company may elect to, it does not undertake to update this information at any particular time.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS PRESS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.

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