

Collaboration with Major European Lateral Flow Test Developer and Sona Nanotech Inc.

Halifax, Nova Scotia--(Newsfile Corp. - December 4, 2018) - Sona Nanotech Inc. (CSE: SONA) has signed a collaboration agreement with one of Europe's largest lateral flow test developers, who will integrate Sona's nanorod technology into their market-established lateral flow assays.

Operon SA, based in Zaragoza, Spain, produces a range of rapid diagnostic test and molecular diagnostic products, which it exports to more than 50 countries.

Operon and Sona have agreed to work together to improve the performance of Operon's currently in-market lateral flow tests to help further establish their market share in the infectious disease arena.

If the feasibility study is successful, further development will take place with the expectation to launch products into the market in the first half of 2020.

Sona CEO Darren Rowles said: "Sona Nanotech is growing its presence in the lateral flow market, and this agreement with one of the largest and most respected developers in Europe demonstrates the scale of our ambition. We are confident that Sona's unique gold nanorods will improve the performance of Operon's tests while remaining cost-competitive, allowing expansion of their market share in this multi-billion-dollar market segment*. I am confident this collaboration is just the start of a long and productive relationship between our companies."

Tomas Toribio, MD of Operon, said: "Operon is always looking for new innovations that will improve the performance of our diagnostic tests and provide a more cost-effective offer for our customers. Sona's gold nanorods are a unique and impressive technology and we look forward to working together to maximise their potential in our lateral flow assays."

* **Source:** <https://www.prnewswire.com/news-releases/global-lateral-flow-assay-market-is-projected-to-reach-usd-8-7-billion-by-2023-from-usd-6-0-billion-in-2018-growing-at-a-cagr-of-7-7-from-2018-to-2023--300754197.html>

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 Operon

Operon has been developing, manufacturing and selling lateral flow tests to the global market for more than 26 years. Its main product lines are:

- Raw Materials: monoclonal antibodies and recombinant antigens.
- Immunocromatography: rapid lateral flow tests.
- Molecular Diagnostic tests: Opegen and OligoGen.
- Customized services: contract manufacturing of lateral flow tests and raw materials.

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.

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