

Sona Nanotech Engages Maxim Group for NASDAQ Listing and Investment Banking Services, and Announces Organizational Change

Halifax, Nova Scotia--(Newsfile Corp. - July 8, 2020) - Sona Nanotech Inc. (CSE: SONA) (OTCQB: SNANF) ("Sona Nanotech" or the "Company"), a developer of rapid, point-of-care diagnostic tests for COVID-19 and other applications, has engaged Maxim Group, LLC ("Maxim") for general financial advisory and investment banking services in relation to its planned application to list the Company's common shares on the NASDAQ Capital Market ("NASDAQ").

By up-listing to NASDAQ, the Company aspires to gain new exposure and access to a larger base of retail and institutional investors in the United States and internationally. The Company believes that the NASDAQ is the world's pre-eminent exchange for biotechnology and related companies. Management believes that the up-listing will bring significant value to the Company. The listing of the Company's common shares on NASDAQ remains subject to the approval of that exchange and the satisfaction of all applicable listing requirements, and there can be no assurance that these requirements will be met.

As part of its plan to prepare for a NASDAQ listing, the Company also announces the appointment of David Regan as chief executive officer of the company. Mr. Regan has served as a strategic advisor to the Company for the past four months and will continue to work closely with founding CEO Darren Rowles who will assume the role of President and Chief Scientific Officer, tasked with continuing to drive the development of the Company's previously announced rapid, point-of-care COVID-19 antigen test, and others in the development pipeline.

Regan brings to the position more than 15 years of experience with capital markets, mergers & acquisitions and international business, having served as an officer and director of public companies, and previously as a management consultant in both New York and London.

Darren Rowles commented, "Sona Nanotech has achieved the extraordinary by bringing a COVID-19 rapid, point-of-care antigen test to fruition in four months with an extremely focused team in the laboratory. The change provides me with the opportunity to focus on my passion for science and driving innovation through the company. I'm delighted to welcome David to Sona's leadership team and continuing the partnership with him to capitalize on the efforts made to get these unique tests authorized, manufactured and in to as many hands as possible around the world."

"We have laid the plans to scale Sona Nanotech quickly to deliver its COVID-19 test through regulatory approval to manufacturing and into the hands of our customers in the coming months. The business will also build on the culture of innovation instituted by Darren to develop and bring new tests to market that leverage Sona's proprietary detection technology. We look forward to embracing these opportunities and their associated challenges," Regan said.

The Company has granted 1,000,000 incentive stock options under the Company's Stock Option Plan ("Option Plan") of which 900,000 have been granted to Directors and Officers. Each option is exercisable into one common share at a price of \$7.47 per share and will vest at the rate of 25% every six months. The options will expire five years from the date of grant. All other terms and conditions of the options are in accordance with the terms of the Company's Stock Option Plan.

Maxim will receive a monthly fee of US\$10,000, plus reasonable expenses incurred by Maxim for its engagement, plus (i) a cash fee of 7% of the gross proceeds of any equity financing raised by Maxim; and (ii) share purchase warrants equal to 7% of the number of securities issued exercisable at the issue price of the securities for three (3) years. The minimum term of the agreement is six (6) months, after

which it may be terminated upon 30 days' notice by either party.

The Company cautions that its COVID-19 rapid antigen test is not yet approved by the FDA or other regulatory bodies and will update the market as appropriate.

Contact:

Sona Nanotech Inc.
David Regan
Chief Executive Officer
+1.902.448.1416

About Sona Nanotech Inc.

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

Sona Nanotech'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 Nanotech'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.

About Maxim Group LLC

Maxim Group LLC is a full-service investment banking, securities and wealth management firm headquartered in New York. The Firm provides a full array of financial services including investment banking; private wealth management; and global institutional equity, fixed-income and derivatives sales & trading, equity research and prime brokerage services to a diverse range of corporate clients, institutional investors and high net worth individuals. Maxim Group is a registered broker-dealer with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB), and is a member of the following: Financial Industry Regulatory Authority (FINRA); Securities Insurance Protection Corporation (SIPC); NASDAQ Stock Market and NYSE Arca, Inc. To learn more about Maxim Group, visit www.maximgrp.com.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE CANADIAN SECURITIES EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This press release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Sona disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/59392>