

Sona's Interest in Legacy Crescent Lake Lithium Property Sold to Midex Resources

Halifax, Nova Scotia--(Newsfile Corp. - May 9, 2023) - Sona Nanotech Inc. (CSE: SONA), (OTCQB: SNANF) (the "Company" or "Sona") is pleased to announce that an agreement for the sale of its non-core interest in the Crescent Lake lithium property located in Ontario, Canada ("Property") to an arm's length party, Midex Resources Ltd. ("Midex"), has been finalized ("Midex Agreement" or "Transaction").

The Property was acquired by Antler Gold Inc. ("Antler") from Sona in May 2019 pursuant to a property acquisition agreement ("2019 Agreement") (see news release dated May 16, 2019). Under the 2019 Agreement, Sona is entitled to receive 50% of the consideration received by Antler for the Property, net of Antler's aggregate expenses related to the marketing, selling, upkeep and maintenance of the Property ("Antler's Expenses") incurred between the disposition of the Property to Antler and the date of the sale of the Property, to a maximum of \$3,000,000.

Under the Midex Agreement, Antler has agreed to sell the Property to Midex in consideration of C\$125,000 in cash (the "Cash Consideration") and the issuance of common shares of Midex ("Midex Shares") representing 12% of the issued and outstanding capital of Midex, subject to certain adjustments (the "Share Consideration").

Accordingly, Sona is entitled to 50% of the Cash Consideration less Antler's Expenses and Midex will register 50% of the Share Consideration in the name of Sona. Each of Antler and Sona entered into an investor rights agreement with Midex in relation to the Midex Shares. The Midex Shares issuable pursuant to the Transaction will be subject to certain resale restrictions and escrow conditions.

"We wish to thank Antler for partnering with us to source and execute this Transaction of a non-core asset for Sona. The proceeds of this Transaction will provide additional value to the Company as it pursues the development of its Targeted Hyperthermia Therapy cancer treatment using its proprietary, biocompatible gold nanorods," Sona's CEO, David Regan, commented.

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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 cetyltrimethylammonium ("CTAB") 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, subject to the approval of various regulatory boards, including Health Canada and the FDA.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This press release includes certain "forward-looking statements" under applicable Canadian securities legislation, including statements regarding the receipt of cash proceeds as a result of the Transaction, future liquidity of the common shares of Midex and potential public listing of Midex's common shares. Forward-looking statements are necessarily based upon a number of assumptions or estimates 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, including the risk that Sona and Siva may not be able to successfully secure animal and human clinical studies, obtain sufficient clinical and other data to submit regulatory submissions, raise sufficient additional capital or develop the envisioned therapy. 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.

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