

BREATHTEC BIOMEDICAL INC.

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BREATHTEC BIOMEDICAL ANNOUNCES COMMENCEMENT OF TRADING ON THE CANADIAN SECURITIES EXCHANGE (CSE: BTH)

VANCOUVER, BRITISH COLUMBIA – January 29, 2015 – Breathtec Biomedical Inc. (CSE: BTH) (the “**Company**” or “**Breathtec**”), a medical diagnostics company focused on developing, in-licensing and commercializing proprietary, innovative and best-in-class breath analysis devices for the early detection of infections and life threatening diseases is pleased to announce that the Company expects to start trading on the Canadian Securities Exchange (the “**Exchange**”) on February 1, 2016 under the symbol “BTH”.

“We are excited to commence trading on the CSE and look forward to sharing the developments of our technology with investors over the coming months,” said Mr. Kal Malhi, President of Breathtec. “Our Company was founded on the belief that the healthcare industry is evolving faster than ever with technological breakthroughs and early detection methods having the potential to save countless lives and billions of dollars in healthcare costs. Early detection is a key factor in successful patient outcomes and innovative devices and diagnostics often have an accelerated clinical pathway and nearer term commercial viability.”

Breathtec will be focusing its efforts to develop hand held breath testing and analysis tools for the early detection of infections, diabetes, and certain types of cancer.

Transaction and Private Placement

The Company completed a plan of merger (the “**Transaction**”) on October 26, 2015, whereby the Company acquired 100% of the issued and outstanding common shares of Breathtec Biomedical, Inc., a Florida State corporation (“**TargetCo**”), through the merger of the Company’s wholly-owned subsidiary, Breathtec Merger Co., Inc., with TargetCo as the surviving subsidiary of the Company. Pursuant to the plan of merger, the Company issued an aggregate of 15,605,400 common shares to the shareholders of TargetCo. Certain shares issued to the principals of the Company are subject to escrow conditions required by applicable securities laws and the Exchange requirements.

In connection with the Transaction, the Company closed a private placement on October 14, 2015 (the “**Private Placement**”) consisting of 7,101,400 units (the “**Units**”) at a price of \$0.25 per Unit for gross proceeds of \$1,775,350. Each Unit consisted of one common share in the capital of Breathtec (a “**Share**”) and one half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one additional Share at an exercise price of \$0.40 until October 14, 2017.

In connection with the Private Placement, Breathtec paid an aggregate finder’s fees of \$120,028 and issued 480,112 common share purchase warrants (the “**Finder Warrants**”). Each Finder Warrant is exercisable for one Share at an exercise price \$0.25 per Share until October 14, 2017.

Pursuant to applicable securities laws, all securities issued in connection with the Private Placement are subject to a hold period expiring February 15, 2016.

For further details on the Transaction and the Private Placement see the Company’s final prospectus dated January 28, 2016 (a copy of which is available under the Company’s SEDAR profile at www.sedar.com).

The securities issued pursuant to the Transaction and the Private Placement have not been registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and may not be offered

or sold in the United States absent registration or applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities issued by the Company pursuant to the Transaction and the Private Placement are “restricted securities” as defined under Rule 144(a)(3) of the U.S. Securities Act and contain the appropriate restrictive legends as required under the U.S. Securities Act and Canadian Securities Administrators National Instrument 45-102.

Stock Option Incentive Plan and Option Grant

In connection with the Company’s Exchange listing, the Company issued an aggregate 3,750,000 incentive stock options (the “**Options**”) in accordance with the Company’s stock option plan (the “**Option Plan**”) to certain directors, officers and consultants of the Company. Each Option entitles the respective optionee to purchase one Share at an exercise price of \$0.25 per Share until January 28, 2021. The Options and any Shares issued upon exercise will be subject to a four month resale restriction from the date of grant.

The Option Plan adopted by the board of directors (the “**Board**”) concurrent with the closing of the Transaction is a “rolling” stock option plan, pursuant to which the Board may from time to time, in its discretion, and in accordance with Exchange and regulatory requirements, grant to directors, officer, employees and consultants, non-assignable and non-transferable options to purchase shares of common, provided that the number of Shares reserved for issuance will not exceed 10% of the then issued and outstanding common shares of the Company.

ON BEHALF OF THE BOARD

"Kal Malhi"
President & Director

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CAUTIONARY DISCLAIMER STATEMENT: The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

This news release contains forward-looking statements relating to the completion of the listing of the Company’s shares on the Canadian Securities Exchange and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the failure to satisfy the conditions of the Canadian Securities Exchange and other risks detailed from time to time in the filings made by the Company with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-

looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.