

## **BREATHTEC BIOMEDICAL INC.**

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### **Breathtec Biomedical In-Licenses Advanced Stage Breath Analysis Technology**

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Apr 13, 2016) - [Breathtec Biomedical, Inc.](#) (CSE: BTH) (CNSX: BTH) (XFRA: BTI) (OTC: BTHCF) (the “**Company**” or “**Breathtec**”), a medical diagnostics company focused on developing, and commercializing proprietary, innovative and best-in-class breath analysis devices for the early detection of life threatening diseases is pleased to announce the signing of a license agreement dated as of April 11, 2016 (the “**License Agreement**”) between the Company and Technion Research and Development Foundation Ltd., an Israeli private company and wholly-owned subsidiary of the Technion – Israel Institute of Technology (“**Technion**”), with respect to a non-exclusive license to certain Technion patents and related know-how in connection with the detection of the following indications from exhaled breath: Streptococcus; Methicillin resistant (MRSA); Staphylococcus; Enterococcus; Vancomycin resistant (VRE); Pneumococcus; Hemophilus influenza (HiB); Chickenpox; and common cold (the “**License**”).

#### **NA-NOSE TECHNOLOGY:**

Since antiquity, physicians have learned to assess their patients by, among other means, their breath odor. The rationale behind this is that changes in blood chemistry occur because of pathophysiological processes during disease states, and these changes include the production of Volatile Organic Compounds (VOCs), which are characterized by low molecular weight and/or high vapor pressure. VOCs easily cross the blood-air barrier in the lungs and are excreted along with the exhaled air, eventually altering the exhaled volatolome. In 1971, Linus Pauling confirmed that exhaled human breath contains hundreds of volatile molecules in very low concentrations. Since then, the field of breath analysis has attained great potential as a noninvasive practice for medical investigations.

In general, exhaled breath samples have been analyzed by two main methods: quantitatively, using various forms of chromatography and/or spectrometry; or more recently, qualitatively, using artificial olfactory systems (also called Electronic Noses), mainly based on non-specific gas sensors. These studies have resulted in hundreds of scientific reports indicating the possibility of detecting and classifying specific diseases (e.g., lung cancer, gastric cancer, tuberculosis), by comparing the exhaled breath samples with those of healthy controls. An emerging approach for diagnosing diseases relies on profiling volatile biomarkers that are emitted from cells in the affected area. These volatile biomarkers can be detected either via the exhaled breath or directly from the headspace of the cells.

Professor Hossam Haick at Technion has developed and tested the NA-NOSE technology for detecting the volatile biomarkers of diseases. The nanotechnology-based breath test was successfully applied in numerous research phase studies for a wide variety of diseases. In many diseases, the NA-NOSE has shown an ability to distinguish between "healthy" and "disease" states as well as between the different stages of the disease, mainly between the early stages and the advanced stages of the disease. Biomarker-based breath testing using the NA-NOSE technology holds future potential as a cost-effective, fast and reliable diagnostic test for early disease and infection detection as well as ongoing monitoring of disease progression. The NA-NOSE technology would be suitable for use outside of specialist settings and could significantly reduce budgetary burdens at many regional and national healthcare organizations.

As consideration for the License, and subject to regulatory approval, the Company will pay Technion an up-front fee of US\$75,000 and issue 1,000,000 common shares of the Company (“**Shares**”). In addition, upon meeting certain development, regulatory and commercialization milestones, the Company will pay up to a further US\$105,000 and will issue Shares with a then current market value of up to US\$285,000, pay a royalty rate of 6% of all net sales, and pay an annual maintenance fee of US\$37,500. All Shares issued to Technion will be subject to a 4 month hold period pursuant to applicable securities laws.

Company President Kal Malhi notes, “Our agreement with the Technion grants us the opportunity to collaboratively leverage their extraordinary expertise in the research phase, years of effort, and millions of Euro’s already invested in the NA-NOSE project in order to move forward with a plan for commercialization of a new application in the area of disease detection thru breath. This is a game changing and disruptive technology that offers great promise, and we look forward to bringing the NA-NOSE Technology to North America and to rapidly advance it through clinical trials and regulatory approval.”

For more information, please visit: [www.breathtecbiomedical.com](http://www.breathtecbiomedical.com).

## **ON BEHALF OF THE BOARD**

"Kal Malhi"

President & Director

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