NEWS RELEASE

Breathtec Provides Nash Pharmaceuticals' Plans for Next Year

VANCOUVER, BC – (September 13, 2018) – Breathtec Biomedical Inc. (CSE: BTH) (CNSX: BTH) (FRANKFURT: BTI) (OTCQB: BTHCF) (the "Company") is pleased to provide details on Nash Pharmaceutical's ("Nash Pharma") plans for the next 12 month period. Breathtec recently announced that it has signed a letter of intent ("LOI") to acquire 100% of the shares of Nash Pharma. Nash Pharma is a clinical stage pharmaceutical development company focused on drug repurposing in the areas of non–alcoholic steatohepatitis (NASH), chronic kidney disease (CKD) and inflammatory bowel disease (IBD).

Through its ongoing research programs, Nash Pharma has developed data that supports the advancement of up to 7 drug candidates into Phase II studies, with a number of the candidates outperforming current standard of care therapies when tested in animal models.

"The addition of Nash Pharma's technology and its focus on CKD and NASH is complimentary to Breathtec's ongoing program to develop a device for early screening for the same disease states," says Christopher J. Moreau, CEO of Breathtec Biomedical Inc. "We look forward to advancing our knowledge about these diseases and to leverage our expertise to help find markers in the breath that can help screen for these diseases."

Nash Business Model Overview

Nash Pharma's business model is based on a drug repurposing strategy where previously approved drug candidates are identified and rapidly screened for use in new diseases. If the data generated from pre-clinical *in vivo* animal testing shows positive results, the drugs can be moved forward into Phase II clinical studies.

As a comparison, taking a new compound from the discovery stage though pre-clinical research and into human trials, can cost from $30M to >$50M per drug. Nash Pharma estimates that its costs will be closer to $2M per drug on average, to identify drug candidates, screen them and complete Phase IIA trials. This is a dramatic cost and risk reduction in comparison to the standard drug development pathway and can add as many as 8 years to the patent life of the drug.

Up to 50% of drugs, depending on the disease type, achieve positive data results in Phase II trials.

Built in Partnership Potential

Because the drugs chosen by Nash Pharma for screening have already been approved for human use, the original manufacturer of the drug represents a natural built in partnering opportunity. Nash Pharma has already begun the process to develop an outreach strategy to communicate with selected manufacturers of the 7 drug candidates that showed promising data in recent animal *in vivo* studies.

Phase II Studies

Under the leadership of Dr. Mark Williams, who has previously brought 3 repurposed drugs through successful Phase II trials, Nash Pharma will undertake cost effective Phase II studies in order to establish the drug's clinical efficacy for the new indication. Nash Pharma's low relative overhead, use of contract research groups and well researched and planned study designs are part of its strategic approach to drug development.

Nash Pharma's Plans for Next Year

1) Conduct Additional Research on 7 Screened Candidates

- Nash Pharma plans to conduct additional research, on each of the 7 best preforming drugs from its *in vivo* studies to determine the mechanism of action.
- Nash Pharma plans to conduct additional animal *in vivo* research studies combining its leading drugs in each of the 3 diseases of, NASH, CKD and IBD with the leading drug treatments for each disease. The goal is to see if the Nash Pharma drug candidates combined with the current standard of care drugs provide an accretive result, which would result in additional patents being filed.

2) Begin Phase IIA Study

Nash Pharma plans to begin a Phase IIA study for its leading drug candidate in IBD.

3) Screen Additional Drug Candidates for Orphan Disease Applications

Based on certain performance characteristics of the leading Nash Pharma drug candidates, additional screening studies are planned in Crohn's disease (CD) and Idiopathic Pulmonary Fibrosis (IPF) which are orphan diseases. Orphan diseases are attractive diseases for drug development owing to favourable regulatory conditions for drug approvals and the extended sales exclusivity periods. In addition, the rates of successful drug approvals are historically higher for orphan diseases compared to non-orphan diseases.

4) Begin Partnering Discussions

Nash Pharma plans to begin preliminary discussions with a number of the original manufacturers of its key drug candidates. Possible partnership deal structures include standard licensing agreements, co-development and option to license agreements or a combination of the above.

5) Publish Data From Animal Studies

Nash Pharma plans to publish the data from its 3 *in vivo* animal studies for NASH, CKD and IBD that resulted in positive data from 7 screened drug candidates.

6) Appoint Medical Advisory Board

Nash Pharma is planning to formalize a Medical Advisory Board (MAB) incorporating both medical and scientific leaders. The purpose of the MAB will be to advise Nash Pharma on a variety of topics from research strategies to clinical trial designs. The Board will also provide recommendations for the scientific and research goals and will assist in communicating Nash Pharma's value proposition to third parties.

ABOUT BREATHTEC BIOMEDICAL INC.

Breathtec Biomedical, Inc. (“Breathtec”) was formed to propel innovative research in the area of airborne analysis as a medical screening tool. Our efforts are aimed at leading the development of commercially viable methods for the early screening of certain pathogens. Our primary avenue of investigation is focused on innovation and advances in the field of specialized mass spectrometry.

Breathtec also recently announced that it will be opening a new drug development division and has signed a Letter of Intent (“LOI”) to acquire 100% of the shares of Nash Pharmaceuticals Inc. (“Nash Pharma”). Nash Pharma is a clinical stage pharmaceutical development company focused on drug repurposing in the areas of non–alcoholic steatohepatitis (NASH), chronic kidney disease (CKD) and inflammatory bowel disease (IBD). For more information, visit www.breathtecbiomedical.com.

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