



**ASEP Medical Announces Listing on Canadian Securities Exchange,
Closing of Acquisition of Majority Interests in ABT and Sepset
and Grant of Stock Options**

Vancouver, BC – November 19, 2021, ASEP Medical Holdings Inc. (the “**Company**”) (CSE: ASEP) is pleased to announce that the Canadian Securities Exchange (the “**CSE**”) has approved the listing of the Company’s common shares (collectively, the “**Shares**”) on the CSE (the “**Listing**”) and expects that its Shares will commence trading on the CSE at market open on Monday, November 22, 2021 under the symbol “ASEP”. In connection with the Listing, the Company has obtained a receipt for its final prospectus (the “**Prospectus**”) from the securities regulatory authorities in the provinces of British Columbia, Alberta, Ontario, New Brunswick and Saskatchewan. A copy of the Prospectus is available under the Company’s profile on [SEDAR](#).

In connection with filing of the Prospectus, the Company completed its “three-cornered” amalgamation transaction with ASEP Medical Inc. (“**ASEP**”), a private arm’s length British Columbia corporation, whereby the shareholders of ASEP received Shares in exchange for their ASEP shares and ASEP amalgamated with 1295277 B.C. Ltd. to form a new entity (“**AmalCo**”), and Amalco became a wholly-owned subsidiary of the Company.

Through AmalCo, the Company acquired a 50.1% fully-diluted equity interest respectfully in two biotechnology companies (together, the “**Majority Interests**”), namely ABT Innovations Inc. (“**ABT**”) and Sepset Biosciences Inc. (“**Sepset**”) by exercising options granted to ASEP by each of ABT and Sepset for option exercise prices of \$2,000,000 each. To acquire the Majority Interests, the Company used a portion of the proceeds from its non-brokered private placement of 11,731,500 special warrants (each, a “**Special Warrant**”) which closed in four tranches on August 25, 2021, September 9, 2021, October 22, 2021 and October 26, 2021 for gross aggregate proceeds of \$5,865,750, which, upon the filing of the Prospectus, resulted in the deemed exercise of Special Warrants for 11,731,500 Shares in accordance with their terms.

The Company is also pleased to announce that it has granted stock options (collectively, the “**Options**”) to certain directors, officers, employees and consultants of the Company to purchase of up to 4,540,000 Shares, pursuant to the Company’s Stock Option Plan. The Options are exercisable at an exercise price of \$0.50 per Share for a period of 10 years. A total of 1,490,000 Options vested immediately upon the date of grant, 1,900,000 vest quarterly over a 12 month period, and 1,150,000 Options vest quarterly over a 24 month period.

This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to a U.S. Person unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About ABT Innovations Inc.

ABT was incorporated on July 3, 2015 pursuant to the provisions of the BCBCA for the purpose of pursuing the commercialization of its licensed broad Peptide Technology (as defined below) developed by its founder, Dr. Robert E.W. Hancock. ABT’s technology covers a broad range of therapeutic applications including bacterial biofilm infections (medical device infections, chronic infections, lung, bladder, wound, dental, skin, ear-nose and throat, sinusitis, orthopedic, etc.), representing two-thirds of all infections, as well as other activities that give the technology exceptionally broad application, including anti-inflammatory activity as potent in one model,^{1,2,3} as non-steroidal anti-inflammatories like indomethacin, anti-infective immune-modulation that by itself can treat a broad range of infectious diseases (bacterial, viral, fungal) and activities as adjuvants for vaccines (collectively, the “**Peptide Technology**”). The Peptide Technology includes small potent broad-spectrum anti-biofilm and anti-inflammatory peptides, that have been documented through filed patents, patent applications and published scientific papers to be highly active (at ≥ 1 to 4 $\mu\text{g/ml}$) against all major clinically-relevant antibiotic resistant bacteria growing as biofilms,^{4,5} as well as complex oral biofilms,⁶ work synergistically with antibiotics,^{7,8} are effective in animal models of biofilm infections, including sinusitis and abscesses,^{2,9} and to have anti-inflammatory activity as potent as indomethacin.¹⁰ The mechanisms of these peptides depend on the actual application but have been substantially defined. Against biofilm infections, these peptides demonstrate multiple mechanisms including inhibiting a bacterial signaling molecule required for biofilm formation; their multi-target mechanism of action reduces the chances of resistance development. Moreover, ABT’s unique set of peptides is effective against all multiple antibiotic resistant bacteria in various animal infection models. ABT is also developing analogous peptides as immune modulators,^{6,11} suppressing potentially harmful inflammation in relevant animal models while boosting protective innate immunity⁶ and peptides that combine these activities with anti-biofilm activity.³

The Peptide Technology is covered by the filed and issued patents in three broad families covering several thousand unique molecules owned by the University of British Columbia and licensed to ABT.

About Sepset Biosciences Inc.

Sepset was incorporated on April 23, 2015 pursuant to the provisions of the BCBCA for the purpose of commercializing of a diagnostic kit for predicting the onset of severe Sepsis and organ failure that was developed by its founder Dr. Robert E.W. Hancock. Sepsis is the body’s dysfunctional response to an infection. It is a common life-threatening medical emergency that happens when the body responds in

¹ Overhage J R.E.W. Hancock et al. (2008) *Infect. Immun.* 76: 4176-4182.

² Reffuveille, F., C. de la Fuente-Núñez, S. Mansour and R.E.W. Hancock. (2014) *Antimicrob. Agents Chemother.* 58: 5363-5371.

³ de la Fuente-Núñez, C., F. Reffuveille, S.C. Mansour, S.L. Reckseidler-Zenteno, D. Hernández, G. Brackman, T. Coenye and R.E.W. Hancock. (2015) *Chem. Biol.* 22: 196-205

⁴ de la Fuente-Núñez, C, REW Hancock et al. 2014. *PLoS Pathogens* 10(5): e1004152.

⁵ *Supra* note 3.

⁶ Pletzer, D., S.C. Mansour, and R.E.W. Hancock. 2018. *PLoS Pathogens* 14(6): e1007084.

⁷ *Supra* note 2.

⁸ Wang D, Y Shen, REW Hancock, J Ma, and M Haapasalo. 2018. *Journal of Endodontics* 44:1709-1713.

⁹ Mansour S, C de la Fuente-Núñez and REW Hancock. 2015. *J. Pept. Res.* 21:323-329.; Alford, MA, REW Hancock et al. 2021.

Frontiers Cell. Infect. Microbiol. 11:621081.; Wu BC, REW Hancock et al. 2021. *NPJ Biofilms and Microbiomes* 7:8.

¹⁰ Haney EF, REW Hancock et al. 2015. *Peptides* 71:276–285.

¹¹ Wu BC, AH Lee, & REW Hancock. 2017. *Journal of Immunology* 199:3592-3603.

the wrong way to an infection triggering the body to fight against itself. It was responsible for 19.7% of all deaths on the planet in 2017.¹² Evidence also suggests that most COVID-19 deaths are caused by Sepsis.¹³ Initial evaluation of patients with suspected Sepsis includes basic laboratory tests, cultures, imaging studies as indicated, and Sepsis biomarkers such as procalcitonin and lactate levels;¹⁴ such tests are generally applied or resolved after about 24-72 hours after hospitalization. Key procedures for recognizing Sepsis in the emergency room are missing and not completed in a substantial proportion of patients admitted to the emergency department with Sepsis.¹⁵ There is a 7.6% increase in mortality for every hour's delay in diagnosis and application of appropriate therapy,¹⁶ meaning early diagnosis is critical. Similarly, diagnosing that a patient does not have Sepsis is also critical since it can prevent the needless application of broad spectrum, potent and expensive antibiotics, which is very important in preventing the rise of antimicrobial resistant organisms that are steadily eroding the effectiveness of antibiotics that themselves represent the most effective human medicines. Patients admitted to Intensive Care Units with severe Sepsis have a 23-30% risk of death.¹⁷ There is therefore a need for systematic improvement in the initial management of patients admitted to emergency departments with Sepsis.

Sepset's diagnostic technology is able to capture a unique gene expression profile that is present very early in the course of Sepsis, and linked to Sepsis pathogenesis and the risk of developing organ dysfunction. Sepset's diagnostic technology differs from current diagnostic tests in that it enables diagnosis of severe Sepsis within 1-2 hours after first clinical presentation (i.e., in the emergency room), while other diagnostics, based on lab tests and cell cultures as mentioned above, provide diagnoses after 24-48 hours, which is too late for physicians to make critical early decisions, thereby increasing the risk of death for patients. Sepset believes that its technology will reduce mortality and morbidity and save potent antibiotics so they will only be used in patients who need them. Sepset's technology has been affirmed by acceptance into an important medical journal,¹⁸ and by the award of patents in Europe, China and Hong Kong; prosecution of the patent is proceeding in other countries.

Sepset's technology is covered by the filed and issued patents owned by Dr. Robert E.W. Hancock and licensed to Sepset.

For more information on the Amalgamation, the acquisitions of the Majority Interests of ABT and Sepset and each of their respective patents and peptide technologies, please see the Company's Prospectus dated November 9, 2021 filed on [SEDAR](#).

About ASEP

ASEP Medical Holdings Inc. is a British Columbia biotechnology company pursuing the commercialization of broad spectrum peptide technology through its majority owned subsidiary ABT for treatment of a broad range of infectious diseases and a diagnostic kit for predicting the onset of severe Sepsis and organ failure through its majority owned subsidiary Sepset. The Company is based in Vancouver, British Columbia, and is to be listed on the CSE under the symbol "ASEP".

¹² *Supra* note 10.

¹³ Zhou F et al. 2020. *Lancet* 395:1054-1062.

¹⁴ Gauer A et al. 2020. *American Family Physician*. 101(7):409-418.

¹⁵ Husabø G et al. 2021. *PLOS ONE* 16(3): e0248879.

¹⁶ Kumar A et al. 2006. *Critical Care Medicine* 34:1589-1596; b. Pena OM.

¹⁷ Pena OM, REW Hancock et al. 2014. *eBiomedicine* 1:64-71.

¹⁸ *Ibid*.

ON BEHALF OF THE BOARD

“Rudy Mazzocchi”

Executive Chairman, Chief Executive Officer and Director

Contact Information

For more information please contact:

Jennifer Gretchen
Chief Financial Officer
Tel: +1 (778) 600-0509
Email: info@asepmedical.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: *This news release includes certain “forward-looking statements” under applicable Canadian securities legislation. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such forward-looking statements in this news release include, but are not limited to, statements regarding the trading of the Shares on the CSE, the intended benefits and applications of ABT and Sepset’s technology, and the Company’s plans for development of its business. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including risks related to factors beyond the control of the Company, including the risks that the Shares may not become listed on the CSE and that the Company’s business may not develop as set out in this news release. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. 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. The Company 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.*

The CSE (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.