



## **Asep Medical Holdings Inc. Enters into Commercial Agreement to acquire SafeCoat Medical Inc.**

**VANCOUVER, BC, December 2, 2022 (CNW) — Asep Medical Holdings Inc. (“Asep Inc.” or the “Company”) (CSE: ASEP) (OTCQB: SEPSF)** is pleased to announce that it has entered into an Earn-In and Option Agreement (the “**Agreement**”) with SafeCoat Medical Inc. (“**SafeCoat**”) and the securityholders of SafeCoat (the “**Securityholders**”). Pursuant to the Agreement, the Company will earn a 50.1% of the voting equity securities of SafeCoat (the “**Earn-In Shares**”) in consideration for services the Company provides to SafeCoat in connection with the grant of a license (the “**License**”) by the University of British Columbia (“**UBC**”) to SafeCoat for the use, development and commercialization of a peptide medical device coating technology (the “**Technology**”). The Securityholders have also granted the Company the option to acquire their collective 49.9% equity interest in SafeCoat on the terms and conditions of the Agreement (the “**Option**”).

The Technology relates to substrate independent coatings utilizing self-assembly of dopamine or other polymeric binders, ultra-high or high molecular weight hydrophilic polymers, and conjugated antimicrobial peptides (AMPs), and the methods for making such coatings. In particular, the invention relates to coatings that may be applied onto substrates, such as medical devices and implants.

*“We are excited to take this new technology partnership forward with SafeCoat Medical and the University of British Columbia. This joint venture will create significant new market opportunities for the company involving the use of peptide-based coatings to maintain sterile surfaces on medical devices and implants,”* stated Tim Murphy, Chief Operating Officer.

The terms of the Agreement provide that upon UBC and SafeCoat entering into a term sheet for the grant of the License, SafeCoat will allot and issue the Earn-In Shares to the Company and the Securityholders will grant the Option to the Company. In connection with the grant of the Earn-In Shares, the board of directors of SafeCoat will be reconstituted to be comprised of two nominees of the Company and one nominee of the Securityholders, and the new board will appoint management. The Company believes that the funding provided to SafeCoat by the Securityholders together with the expertise that the Company and its management provide will position SafeCoat well to develop the License and advance the Technology towards commercialization.

The Option is exercisable by the Company for two years from the grant of the License upon payment by the Company of \$1,200,000 (the “**Option Exercise Price**”) to the Securityholders. The Option Exercise Price is payable by the allotment and issuance on a pro rata basis of an aggregate of 6,000,000 common shares (the “**Option Exercise Shares**”) of the Company at a deemed price of \$0.20 per share. The Option Exercise Shares will be subject to a voluntary escrow and released from escrow in tranches of 25% upon each of the following milestones being satisfied: (a) exercise of the Option, (b) upon SafeCoat and UBC entering into a definitive License agreement, (c) the date a patent in respect of the Technology is published on Google patents,



and (d) the date the Company confirms that SafeCoat has reasonably demonstrated activity of antifouling on surfaces. If the Option is exercised, SafeCoat will become a wholly-owned subsidiary of the Company and the Company would pursue the advancement of the Technology in addition to the advancement of its current business through ABT Innovations Inc. and Sepset Biosciences Inc.

#### **ABOUT ASEP MEDICAL HOLDINGS INC.**

Asep Medical Holdings Inc. is dedicated to addressing antibiotic failure by developing novel solutions for significant unmet medical needs. The Company is a consolidation of two existing private companies (Sepset Biosciences Inc. and ABT Innovations Inc.) that are both in the advanced development of both proprietary diagnostic tools, enabling the early and timely identification of severe sepsis as well as broad-spectrum therapeutic agents to address multidrug-resistant biofilm infections.

Sepset Biosciences Inc. is developing a diagnostic technology that involves a patient gene expression signature that predicts severe sepsis, one of the significant diseases leading to antibiotic failure since antibiotics are the primary treatment for sepsis. Despite this, sepsis is responsible for nearly 20% of all deaths on the planet. The Sepset<sup>ER</sup> test is a blood-based gene expression assay that is straightforward to implement, and results are obtained in about an hour in the emergency room or intensive care unit. This proprietary diagnostic technology differs from current diagnostic tests in enabling diagnosis of severe sepsis within 1-2 hours of first clinical presentation (i.e., in the emergency room), while other diagnostics only provide diagnosis after 24-36 hours. Asep Inc. believes this will enable critical early decisions to be made by physicians regarding appropriate therapies and reduce overall morbidity and mortality due to sepsis.

ABT Innovations Inc.'s peptide 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, orthopaedic, etc.), anti-inflammatories, anti-infective immune-modulators and vaccine adjuvants.

#### **FOR MORE INFORMATION, PLEASE CONTACT —**

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#### **FORWARD-LOOKING STATEMENTS**

This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently



characterized by words such as "anticipates", "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed", "positioned" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements in this news release include, but are not limited to the Company's expectation that: (i) UBC and SafeCoat will enter into a term sheet for the License, (ii) UBC will grant the License to SafeCoat, (iii) ASEP will exercise the Option, (iv) the Securityholders and the SafeCoat board will approve the reconstitution, (v) the contributions of the Company and the Securityholders to SafeCoat will advance the commercialization of the Technology, and (vi) the business of SafeCoat will be complementary to the existing business of the Company. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks including the risk that: (i) UBC and SafeCoat may not enter into the License term sheet, (ii) UBC may not grant the License on terms that are favourable to ASEP or SafeCoat, or at all, (iii) ASEP may not exercise the Option, (iv) the Technology may not perform as expected, and as such, the patent in respect of the Technology may not be granted, and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. ASEP is under no obligation, and expressly 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 expressly required by applicable law.