

## Covalon Announces Major Sales Breakthrough – Wins Contracts with an Estimated Value of \$100 Million Over a Three-Year Period

- **Conference call scheduled for Tuesday May 8<sup>th</sup> at 9am EDT to discuss the impact of this major transformative event**

MISSISSAUGA, Ontario--(BUSINESS WIRE)--May 7, 2018--Covalon Technologies Ltd. (the "Company" or "Covalon") (TSXV: COV; OTCQX: CVALF), an advanced medical technologies company, has been informed that it has won a series of competitive contracts in the Middle East with an estimated sales value of \$100 million over a three-year period.

The series of competitive contracts awarded to Covalon includes the granting of approximately ten categories of products under the Executive Board of Health Ministers' Council for Gulf Cooperation Council States (called "SGH"), as well as several contracts outside of the SGH in Saudi Arabia and other countries in the region that extend up to three years to supply Covalon's highly-regarded IV Clear, ColActive Plus, and CovaWound products.

The majority of the contracts have been awarded to Covalon through highly competitive bidding processes that involved the clinical evaluation of each product. The series of winning contracts extend over a period of three years and management anticipates delivery of the products under the contracts to commence by the Company's fiscal quarter ended December 31<sup>st</sup> 2018.

As more information becomes available, Covalon will provide further updates on the impact of each of these contract wins.

Brian Pedlar, Covalon's Chief Executive Officer, commented, "By winning these highly sought-after competitions against some major medical companies, Covalon has proven that it has truly differentiated, life-saving medical technologies.

"These contracts transform Covalon into a significant healthcare player in the vascular access and wound care markets. We anticipate the contracts to deliver approximately \$100 million of revenue to Covalon over the contractual periods of up to three years and provide Covalon with a very stable and predictable base of sales on which to continue to build our market presence internationally.

"We competed against very large and highly-respected medical companies for these contracts with our flagship products IV Clear, ColActive Plus, and several products in our CovaWound line. These contracts secure Covalon's business in the Middle East and allow us to focus on introducing new products into the region as we deliver under these contracts over the next three years."

### **Conference Call Scheduled**

The Company has scheduled a conference call to be held Tuesday May 8<sup>th</sup> at 9:00 a.m. EDT to further discuss this major sales breakthrough. To participate in the call please dial:

Local / International: 647-689-4535  
North American Toll-Free: 1-833-299-8117

### **About Covalon**

Covalon Technologies Ltd. researches, develops and commercializes new healthcare technologies that help save lives around the world. Covalon's patented technologies, products and services address the advanced healthcare needs of medical device companies, healthcare providers and individual consumers. Covalon's technologies are used to prevent, detect and manage medical conditions in specialty areas such as wound care, tissue repair, infection control, disease management, medical device coatings and biocompatibility. To learn more about Covalon, visit our website at [www.covalon.com](http://www.covalon.com)

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