

Covalon Announces New Breakthrough Antimicrobial Technology Formulated to Kill The COVID-19 Virus

MISSISSAUGA, Ontario--(BUSINESS WIRE)--March 31, 2020--Covalon Technologies Ltd. (the “Company” or “Covalon”) (TSXV: COV; OTCQX: CVALF), an advanced medical technologies company, announces today its new breakthrough antimicrobial technology formulated to kill the COVID-19 virus (or “SARS-CoV-2”) and other viruses, bacteria, and pathogens.

The new technology, called CovaGuard™, has been specifically formulated to be effective at killing pathogens like the COVID-19 virus on contact with the added benefit of providing persistent protection by trapping and deactivating microbes over an extended period of time. Based on testing to date, the CovaGuard technology has demonstrated sustained activity of up to four days. The CovaGuard technology is designed to be safely applied on skin as well as protective medical equipment like masks and gloves, whether used for the first time or reused.

The Company has filed for a patent on the CovaGuard technology.

Like most sanitizers, CovaGuard adheres to the United States Centers for Disease Control guidelines by utilizing a high concentration of alcohol as its base to provide immediate contact-killing effectiveness within seconds. However, the alcohol quickly evaporates and stops killing microbes. To overcome this, the breakthrough CovaGuard technology is formulated with other ingredients that are intended to continue to remain active and provide sustained protection for days after the alcohol has evaporated. CovaGuard forms an invisible protective film barrier on skin and a wide variety of surfaces, including non-porous materials and fabrics such as medical masks and protective clothing. CovaGuard creates a lasting protective effect using a mixture of compounds that contain active antiviral and antimicrobial agents that work together to trap, deactivate, and kill viruses like the COVID-19 virus, bacteria, and other pathogens.

Brian Pedlar, Covalon’s Chief Executive Officer, said, “With the exponential spread of the novel coronavirus, we immediately created a COVID-19 task force in our highly-regarded lab. Our mission was to create a new technology that could help to reduce the spread of the COVID-19 virus and protect healthcare workers, first responders, patients, and the general public. I am so incredibly proud of the breakthrough they have devised at great personal sacrifice, especially under the trying times we are all facing.”

Dr. Val DiTizio, Covalon’s Chief Scientific Officer, said, “We have leveraged Covalon’s vast experience with infection control, skin integrity, and wound healing, along with our decades of experience killing pathogens, to create a novel technology that we believe is significantly more effective than current solutions on the market today.”

Covalon has identified several initial products that will comply with current regulatory requirements that can be legally marketed in Canada and the United States immediately.

The CovaGuard technology can also enable the rapid formulation of numerous other products that can be developed for:

- Medical companies and manufacturers
- Hospitals and healthcare providers
- Healthcare workers and first responders
- Consumers
- Consumer packaged goods companies
- Pharmacy chains

Versions of the CovaGuard technology can be used to manufacture hand sanitizers, healthcare-personnel hand washes, surgical scrubs, first-aid antiseptics, and medical mask sanitizing sprays that comply with current regulations so they can be immediately introduced to help during the COVID-19 crisis. The CovaGuard technology can also be incorporated into the manufacture of surgical masks and other protective equipment. Other formulations and applications are being investigated by Covalon and in conjunction with other medical and consumer product manufacturers who wish to license CovaGuard for use with their offerings.

While investigating such partnerships with large medical companies and other manufacturers, Covalon will in the interim begin manufacturing a CovaGuard Hand Sanitizer and a CovaGuard Medical Mask Sanitizer Spray designed to be used on a surgical or N95 mask either prior or after first use, if the mask is intended to be reused.

The Company intends to make these products available through various distribution channels and medical partners. Covalon currently works with many other medical companies by leveraging its patented antimicrobial delivery systems and developing antimicrobial products for distribution into the market in the areas of vascular access and surgical and wound care.

Chief Scientific Officer Dr. DiTizio further elaborated, “CovaGuard’s unique antimicrobial formulation has three mechanisms that provide antimicrobial protection. It ensures the rapid killing of bacteria, fungi, and viruses on contact; it maintains persistent antimicrobial protection due to its non-volatile active agents and proprietary delivery system; and it traps pathogens that contact its persistent barrier to increase kill rates and reduce the spread of pathogens. The protective barrier that CovaGuard creates on the skin mimics the natural lipid barriers that are found on skin. The difference is that the CovaGuard barrier also contains antimicrobials that actively kill pathogens, including enveloped viruses like the COVID-19 virus, SARS-CoV-2. The water-repellent nature of the CovaGuard barrier helps prolong its effectiveness, as it won’t be easily removed by exposure to moisture. The CovaGuard active agents have been shown to be very effective against a wide range of microbes, such as Gram-negative and Gram-positive bacteria, fungi, and viruses, especially enveloped viruses like SARS-CoV-2.”

CovaGuard contains a proprietary combination of compounds that includes ethanol, benzalkonium chloride, and other compounds that work together to create a unique persistent barrier film with antiviral and antimicrobial properties. The active ingredients in CovaGuard have a long history of being highly effective against enveloped viruses, including coronaviruses such as SARS-CoV and MERS-CoV, as well as similar influenza viruses including the H1N1 and H5N1 strains. The components of the formulation also have been shown to have potent antimicrobial and antifungal activity against numerous other microbes. Covalon's in-house testing using surrogate pathogens that mimic the responses of coronaviruses has shown CovaGuard to be highly effective, with sustained activity of up to four days.

The Company intends to continue testing the efficacy of the CovaGuard technology and the resulting products that are intended to be released that are based on the CovaGuard technology.

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 infection control, vascular access, surgical procedures, advanced wound care, and medical device coatings. To learn more about Covalon, visit our website at www.covalon.com.

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This news release contains forward-looking statements which reflect the Company's current expectations regarding future events. The forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "estimate", "expect", "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These forward-looking statements involve risk and uncertainties, including completion of integration of the AquaGuard acquisition, the difficulty in predicting product approvals, acceptance of and demands for new products, the impact of the products and pricing strategies of competitors, delays in developing and launching new products, the regulatory environment, fluctuations in operating results and other risks, any of which could cause results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. Many risks are inherent in the industry; others are more specific to the Company. Investors should consult the Company's ongoing quarterly filings for additional information on risks and uncertainties relating to these forward-looking statements. Investors should not place undue reliance on any forward-looking statements. The Company assumes no obligation to update or alter any forward-looking statements whether as a result of new information, further events or otherwise.

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