Covalon Enters Into Employment Agreement with CEO and Grants Stock Options

MISSISSAUGA, ON, Sept. 3 /CNW/ - Covalon Technologies Ltd. (the "Company" or "Covalon") (TSX-V: COV), an advanced medical technologies company, today announced it has finalized an employment agreement with Brian Pedlar, Covalon's recently-appointed CEO.

Mr. Pedlar has been Chief Executive Officer of Covalon since April 5, 2010 working under the terms of an interim consultancy agreement. Covalon's Board of Directors felt that it was appropriate to execute a standard CEO employment agreement that makes Mr. Pedlar a full-time employee of Covalon. The Company also announced it had granted an aggregate of 1,600,000 stock options allocated among Mr. Pedlar and two other senior executive officers of the Company.

"Covalon's Board of Directors is very satisfied with the progress Brian and the team have made in improving day-to-day operations", said Mr. Martin Bernholtz, Chairman of the Covalon Board. "We are pleased with the leadership Brian has provided in creating the building blocks required to transform Covalon from a pure R & D lab to a medical technology commercialization company geared to partnering with some of the most prominent companies in the medical industry."

About Covalon

Covalon Technologies Ltd. is a unique medical technologies company engaged in the research, development, and commercialization of advanced tissue repair applications, infection control, and specialized coatings for medical and consumer products. Together, our technology platforms, wound care products, and consulting services deliver a suite of cost-effective solutions to help our customers achieve product differentiation through improved patient outcomes. Our technologies address important healthcare issues such as infection control, medical device biocompatibility and healthy tissue repair. 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 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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