Covalon Provides Update on Expansion of Sales, Business Development and Marketing Initiatives and Second Quarter Financial Results

MISSISSAUGA, ON, May 27, 2011 /CNW/ - Mr. Brian Pedlar, President and CEO of Covalon Technologies Ltd. (the "Company" or "Covalon") (TSXV: COV), an advanced medical technologies company, is pleased to provide the following update.

Covalon has expanded its sales, business development and marketing initiatives with the addition of five experienced medical industry sales, business development and marketing staff, the redeployment of internal staff to sales and marketing roles and the introduction of new wound care products and medical coating formulations for license and distribution. The focus of the entire staff is on developing new business opportunities for the Company's core wound care products and medical coating services. In addition, the Company is also working on the introduction of promising new technologies and formulations for Covalon's existing channel and direct to consumers. The Company announced financial results for its second quarter ended March 31, 2011. Quarterly revenue was $1,011,436. Quarterly operating expenses were $1,139,577. Net loss was $430,610 or $0.006 per share. Covalon continues to have a strong balance sheet with no debt and $3,931,454 in cash, cash equivalents and short-term investments as of March 31, 2011.

Dr. Val DiTizio, Covalon's Chief Scientific Officer and co-founder said, "Covalon is a different company today than it was a year ago. Our talented scientific team is working in a coordinated fashion with the new business development team in ways that did not occur in the past. We have a number of new developments that I am extremely excited about and should prove to be of serious interest to both medical device companies and direct consumers."

Mr. Brian Pedlar, Covalon's President and Chief Executive Officer stated, "I am proud of the progress we have made and am extremely optimistic about the Company's technologies and future prospects."

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

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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.

For further information:

Brian Pedlar
CEO, Covalon Technologies Ltd.
E: bpedlar@covalon.com
T: (905) 568-8400 x 233
F: (905) 568-5200
www.covalon.com

https://ir.covalon.com/2011-05-27-Covalon-Provides-Update-on-Expansion-of-Sales-Business-Development-and-Marketing-Initiatives-and-Second-Quarter-Financial-Results