

Covalon Announces \$14 Million In New Contract Orders In The Middle East

MISSISSAUGA, Ontario--(BUSINESS WIRE)--Sep. 5, 2017-- Covalon Technologies Ltd. (the "Company" or "Covalon") (TSXV: COV), an advanced medical technologies company, today announced that it has received \$14 million of new orders under exclusive contracts that it has won in the Middle East. The contract orders have been received as a result of the Company being granted major contracts to supply several of its advanced dressing products to Ministry of Health facilities in Saudi Arabia and other Gulf Cooperation Council ("GCC") countries. The contracts were awarded to Covalon following a competitive bidding process that resulted in physicians selecting Covalon's ColActive Plus product line as its exclusive advanced collagen wound dressing and selecting Covalon's antimicrobial IV Clear vascular access dressing.

"These contract wins are a further validation of our superior products, as well as our ability to grow Covalon's business in the region," said Brian Pedlar, Covalon's Chief Executive Officer. "Our continued strong position within key hospitals and clinics is having a positive impact in helping us grow our business in the Middle East in other sales channels. We are very pleased with our renewed success in Saudi Arabia and the GCC."

IV Clear has been used as the exclusive antimicrobial vascular access dressing in all Ministry of Health facilities in Saudi Arabia over the past year. The strong antimicrobial performance of IV Clear combined with its ability to provide pain-free dressing changes has made IV Clear very popular with both patients and clinicians in Saudi Arabia. ColActive Plus has also been used as the exclusive collagen advance wound care dressing for treating chronic wounds in all Ministry of Health facilities in Saudi Arabia over the same period, following Covalon being awarded exclusive annual contracts in August 2016.

"The Saudi Arabian key opinion leaders selected our ColActive Plus product because of its efficacy in helping to heal chronic, diabetic wounds," said Pedlar. "The clinical feedback we have received over the past year has demonstrated that ColActive Plus has helped save numerous patients from amputation of limbs, which resulted in better quality of life for patients and cost savings for the medical system."

In addition to ColActive Plus, Covalon markets a full line of advanced wound management dressings for both acute and chronic wounds under its CovaWound brand. As well, Covalon is also the only provider of a dual antimicrobial silicone adhesive technology used in its IV Clear and SurgiClear brands of infection management dressings. Both of these product lines offer superior efficacy in helping to prevent infections and medical adhesive skin injuries, while providing total insertion or incision site visibility to the healthcare provider.

The Company expects to begin deliveries under these contracts before the end of September and continue through to the end of fiscal 2018.

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

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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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