

Covalon Provides Further Information Regarding Estimated \$100 Million Competitive Contract Awards

- **Covalon wins every single Vascular Access dressing category for the next three years in the Gulf Cooperation Council States in the Middle East**

MISSISSAUGA, Ontario--(BUSINESS WIRE)--May 22, 2018-- Covalon Technologies Ltd. (the "Company" or "Covalon") (TSXV:COV; OTCQX:CVALF), an advanced medical technologies company, is pleased to provide further information on the previously-announced series of competitive contracts in the Middle East won by the Company with an estimated sales value of \$100 million over a three-year period.

Covalon has been informed that it has been awarded all the Vascular Access dressing categories that were tendered under the Executive Board of Health Ministers' Council for Gulf Cooperation Council States ("GCC") (called "SGH"). As a result of the Company being exclusively awarded the contract to supply all Vascular Access dressings under the SGH contracts, all institutions that provide government-funded healthcare services to over 50 million people in the GCC will now be supplied with Covalon's IV Clear™ as their antimicrobial IV dressing for the next three years.

Covalon announced on Monday May 7th 2018 that it had won a series of competitive contracts in the Middle East with an estimated sales value of \$100 million over a three-year period.

"This breakthrough announcement clearly demonstrates that Covalon has become a market leader in supplying both antimicrobial and non-antimicrobial Vascular Access dressings in the GCC countries," said Brian Pedlar, Covalon's Chief Executive Officer. "To have so many patients benefit from using a Covalon Vascular Access dressing, whether they have a high-risk central line or a peripheral I.V., is a major accomplishment for Covalon.

"There is now a clear opportunity to leverage this transformative Middle East win into accelerating the adoption of IV Clear™ in other major global markets. This will most definitely help Covalon win new business not just in the United States but everywhere in the world," continued Pedlar.

"To date, IV Clear™ has been used on hundreds of thousands of patients in GCC countries since 2015. Patients all over the world deserve to be similarly protected with the very best products available and the best products available are made by Covalon," said Pedlar.

Over the three-year life of the contracts, Ministry of Health facilities in the GCC countries will utilize either Covalon's IV Clear™ or Covalon's CovaView™ IV dressings to protect patients with Vascular Access insertions, such as central venous catheters, PICC lines, and peripheral I.V. lines. Covalon's IV Clear™ Antimicrobial Clear Silicone Adhesive Securement Dressing with Chlorhexidine and Silver has been used on hundreds of thousands of patients in GCC countries since 2015. IV Clear™ is intended to cover and protect insertion sites and secure devices to a patient's skin. Common applications include covering, protecting, and securing I.V. catheters, central venous lines, PICCs, suction catheters, epidural catheters, hemodialysis catheters, orthopedic pins, and other intravascular catheters and percutaneous devices. Covalon's CovaView™ IV is a thin polyurethane film dressing used to cover and protect I.V. sites.

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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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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