

Covalon Announces Re-Pricing Of Private Placement

MISSISSAUGA, Ontario--(BUSINESS WIRE)--Sep. 6, 2019-- Covalon Technologies Ltd. (the "Company" or "Covalon") (TSXV: COV; OTCQX: CVALF), an advanced medical technologies company, today announced that it has re-priced its non-brokered private placement originally announced on August 1, 2019 (the "Offering"). The Offering is being re-priced in order to more accurately reflect the current market price of the Company's common shares.

The Offering will now be comprised of up to 2,750,000 units at a price of \$2.00 per unit, an approximately 11% premium to the market price of the common shares as of the close of business on September 5, 2019, for aggregate gross proceeds of up to \$5,500,000. Each unit will be comprised of one common share and one common share purchase warrant. Each common share purchase warrant will entitle the holder to acquire an additional common share at a price of \$2.00 per share for a period of five years from the closing date.

The Offering is subject to approval by the TSX Venture Exchange (the "TSXV") and all securities issued pursuant to the Offering will be subject to a hold period expiring four months from the applicable closing date. Proceeds of the Offering will be used by Covalon for general working capital, to expand international distribution channels, to develop and commercialize new products and for the repayment of debt.

The Company expects substantial insider participation in respect of the Offering. Any subscriptions by insiders will be considered to be related party transactions within the meaning of TSXV Policy 5.9 and Multilateral Instrument 61-101 ("MI 61-101"). The Company intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(a) of MI 61-101 in respect of such insider participation.

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.

Neither TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) 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, the closing of proposed transactions, 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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