

Covalon Provides Business Update

MISSISSAUGA, ON, June 30, 2020 /CNW/ - Covalon Technologies Ltd. (the "Company" or "Covalon") (TSXV: COV) (OTCQX: CVALF), an advanced medical technologies company, provides today an update on material business developments per Ontario Instrument 51-502 *Temporary Exemption from Certain Corporate Financial Requirements*. The Company continues to rely on the exemption provided in the aforementioned instrument to postpone the filing of the interim financial statements and management's discussion and analysis for the quarter ended March 31, 2020 (the "Documents"). The Company expects to file the Documents by the extension date of July 14, 2020 and continues to work diligently to prepare and file the Documents by such date.

Until the Company has filed the Documents, members of the Company's management and other insiders continue to be subject to an insider trading black-out policy that reflects the principles in section 9 of National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*.

An update on material business developments since the Company announced its reliance on Ontario Instrument 51-502 is described below:

The CovaGuard™ and CovalonGuard™ Products Now Available for Purchase

On March 31, 2020, Covalon announced CovaGuard™, its new antimicrobial technology platform. The CovaGuard antimicrobial technology ("CovaGuard") is specifically formulated to be effective at killing pathogens on contact with the added benefit of providing persistent protection by trapping and deactivating microbes over an extended period.

CovaGuard Antimicrobial Hand Sanitizer with Benzalkonium Chloride and CovaGuard Mask Antimicrobial Sanitizer with Benzalkonium Chloride are now available for purchase in the United States at covaguard.com. CovalonGuard Antimicrobial Hand Sanitizer with Benzalkonium Chloride is now available for purchase in Canada at covaguard.ca. CovalonGuard Shield with Benzalkonium Chloride, a hard surface antimicrobial spray, is anticipated to be available for purchase in Canada at covaguard.ca soon.

The Company is continuing production of an initial run of approximately 750,000 bottles of hand sanitizer and mask spray based on the CovaGuard technology at its facility in Mississauga, Ontario. The Company is in the process of planning a second manufacturing run of approximately 3.5 million bottles at a contract manufacturing facility to meet anticipated demand. As previously reported, the Company continues to be actively engaged in discussions with potential manufacturing partners, United States distributors, and international distribution networks to increase available product and access market demand. Preliminary sales have begun in the United States, Canada, and seven other countries.

HSBC Banking Agreement

As previously reported, Management is in continued discussions with HSBC Bank Canada ("HSBC") regarding the Company's acquisition and operating banking credit facility and anticipates making changes to the banking agreement with HSBC in due course. A further update will be provided at the appropriate time.

About Covalon

Covalon Technologies Ltd. is a researcher, developer, manufacturer, and marketer of patent-protected medical products that improve patient outcomes and save lives in the areas of advanced wound care, infection management and surgical procedures. Covalon leverages its patented medical technology platforms and expertise in two ways: (i) by developing products that are sold under Covalon's name; and, (ii) by developing and commercializing medical products for other medical companies under development and license contracts. The Company is listed on the TSX Venture Exchange, having the symbol COV and trades on the OTQX Market under the symbol CVALF. To learn more about Covalon, visit our website at www.covalon.com.

CovaGuard™ is a registered trademark of Covalon Technologies Ltd. in Canada and the United States.

Certain statements contained in this press release may constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated", "proposed" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Such forward-looking information is subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. In particular, this press release

contains forward-looking information relating to the anticipated filing of the Company's interim financial report for the quarter ended March 31, 2020. Various assumptions or factors are typically applied in drawing conclusions or making the forecast or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The forward-looking information contained in this press release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

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