COVALON TECHNOLOGIES LTD. ANNOUNCES NORMAL COURSE ISSUER BID

MISSISSAUGA, ON, May 25, 2022 /CNW/ - Covalon Technologies Ltd. (TSXV: COV) (OTCQX: CVALF) (the "**Company**" or "**Covalon**"), an advanced medical technologies company, today announced that it has filed its intention to make a normal course issuer bid (the "**NCIB**") for its common shares with the TSX Venture Exchange (the "**Exchange**" or "**TSXV**"). The NCIB remains subject to regulatory approval.

At the opening of the stock market on today's date, the Company has 25,928,677 common shares issued and outstanding. Under the NCIB, if regulatory approval has been obtained, the Company may acquire up to 1,296,433 common shares over the next 12-month period, representing 5% of the issued and outstanding common shares. Assuming the receipt of regulatory approval, Covalon may purchase its common shares during the period from June 1, 2022 to May 31, 2023, provided that if prior to May 31, 2023, the maximum number of common shares purchasable under the NCIB have been acquired by the Company, the NCIB shall terminate on such earlier date where the maximum number was reached.

The actual number of common shares which may be purchased pursuant to the NCIB and the timing of any purchases will be determined by management and the board of directors of Covalon (the "**Board of Directors**"). The NCIB will be conducted through Covalon's broker, PI Financial Corp. and made in accordance with the policies of the Exchange. The price which the Company will pay for any such common shares will be the market price at the time of acquisition. All common shares purchased pursuant to the NCIB will be returned to treasury for cancellation, and all such purchases will be made on the open market through the facilities of the Exchange.

Transactions under the NCIB will depend on future market conditions. Covalon retains discretion whether to make purchases under the NCIB, and to determine the timing, amount and acceptable price of any such purchases, subject at all times to applicable Exchange and other regulatory requirements.

The Board of Directors believes that during the course of the NCIB the market price of the common shares may not, from time to time, reflect the underlying value of the Company. As a result, depending upon future price movements and other factors, the Board of Directors believes that the purchase of the common shares may be in the best interests of the Company and its shareholders. Furthermore, any purchases are expected to benefit all persons who continue to hold common shares by increasing their equity interest in the Company when the repurchased common shares are cancelled.

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 TSXV, 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

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 may contain assumptions, estimates, and other forward-looking statements regarding future events. Such forward-looking statements involve inherent risks and uncertainties and are subject to factors, many of which are beyond the Company's control that may cause actual results or performance to differ materially from those currently anticipated in such statements.

SOURCE Covalon Technologies Ltd.

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