

Covalon Announces Successful Warrant Redemption from 2019 Private Placement

MISSISSAUGA, Ontario – September 23, 2024 – (BUSINESS WIRE) – Covalon Technologies Ltd. (the "Company" or "Covalon") (TSXV: COV; OTCQX: CVALF), an advanced medical technologies company, is pleased to announce that the directors of the Company (the "Insiders") have exercised a cumulative total of 852,700 common share purchase warrants ("warrants"), generating proceeds of approximately \$1.7 million CAD. In addition to the Insiders, long-term shareholders exercised 1,875,800 warrants, generating proceeds of approximately \$3.8 million CAD. Together with its existing cash balance, Covalon now has approximately \$16.0 million CAD in net cash.

Brent Ashton, Chief Executive Officer, commented, "We are very pleased with the confidence in the future value of Covalon that has been demonstrated by our Insiders and long-term shareholders. Our strengthened balance sheet positions the Company well for future investments and growth."

The warrants were issued in connection with the Company's private placement of units completed in September 2019 and were set to expire on September 18, 2024.

Following the exercise of these warrants, Covalon has 27,398,077 common shares issued and outstanding as of September 20, 2024.

The Insiders now beneficially own and control 14,194,323 common shares, representing approximately 51.8 % of the Company's outstanding shares.

Those interested in learning more about Covalon's solutions may visit www.covalon.com or follow Covalon on [LinkedIn](#), [Facebook](#), or [Instagram](#).

To learn more about Covalon, please contact:

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About Covalon

Covalon is a patient-driven medical device company, that provides innovative and cost-effective healthcare solutions for advanced wound care, infection control, and medical device coatings. Through a strong portfolio of patented technologies and solutions, we offer innovative, gentle and more compassionate options to aid patients on their healing journey. Our solutions are designed for patients and made for care providers. 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 OTCQX Market under the symbol CVALF. To learn more about Covalon, visit our website at www.covalon.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.



This news release may contain 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", or variations of such words and phrases or state that certain actions, events, or results "may", "could", "would", "might", "will" or "will be taken", "occur", or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts, but instead represent management's expectations, estimates, and projections regarding future events. Forward-looking statements involve risks and uncertainties, including, but not limited to, the factors described in greater detail in the "Risks and Uncertainties" section of our management's discussion and analysis of financial condition and results of operations for the year ended September 30, 2023, which is available on the Company's profile at www.sedarplus.ca, any of which could cause results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking statements. Investors should not place undue reliance on any forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this news release, and the Company assumes no obligation to update or alter any forward-looking statements, whether as a result of new information, further events, or otherwise, except as required by law.

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