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FOR IMMEDIATE RELEASE

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CNAD awarded funding to continue development of novel diagnostic equipment

“Rapid amplification-free detection of specific DNA sequences in substrates”

Calgary, Alberta – CNA Diagnostics Inc. (the “Company” or “CNAD”) is pleased to announce the award of CAD \$200,000 funding from the Department of National Defence’s Innovation for Defence Excellence and Security (IDEaS) program. Funded under the IDEaS competitive projects’ first call for proposals, the intention of CNAD’s project is to develop a new tool-kit for fast, on-site, DNA-based, amplification-free detection for particular DNA sequences in a substrate, more specifically for biologically hazardous agents in bodily fluids or genetically modified organisms in environmental samples.

CNAD’s revolutionary approach is based on a new detection device (utilizing a hybridization-based, PCR-free, amplification free technique), which is being developed by the company. Leading EU partners (Becker & Hickl GmbH, Fraunhofer Institute for Applied Polymer Research, and Metabion GmbH) have collaborated with CNAD and are finalizing the working prototype. This prototype allows the direct detection of target sequences via fluorescently labeled DNA probes in homogenous solutions within a very short period of time.

“We are pleased to be able to continue the development of CNAD’s technology with leading partners and support from Canada, including non-dilutive grant funding,” said David Gordon, CEO of CNAD. “With successful results of this first phase, we have the chance to add another proprietary asset with a range of commercial applications for licensing to strategic partners”.

About CNA Diagnostics:

CNA Diagnostics Inc. is a molecular diagnostics company focused on the development of diagnostic tests for the early detection of the presence of disease in humans and animals (mammalians). The Company has its headquarters in Calgary, Alberta Canada. Test development is focused on disease stages prior to the onset of observable clinical symptoms, which currently cannot be detected reliably with existing commercially available methods. The Company commercializes its tests primarily by licensing its technology to strategic partners for manufacturing, sales, distribution, and service to end-users in regions around the world.

About IDEaS

Announced in Canada’s defence policy, *Strong, Secure, Engaged* (June, 2017), the Department of National Defence, (DND) introduced the Innovation for Defence Excellence and Security (IDEaS) program to improve DND’s access to the creative potential of Canadian innovators to build defence capability and economic impact. The program supports the formation of an innovation ecosystem from the early stages of an idea, creates awareness of defence and security challenges and mobilizes innovators to develop prototypes and capabilities for defence and security capabilities. Under the new defence policy DND announced it will invest \$1.6 billion over 20 years dedicated to IDEaS, including \$313 million in the first five years. The IDEaS Program provides financial support to foster innovation through contracts, contribution agreements and grants. Within the program, IDEaS supports full spectrum innovation support including personnel exchanges, assessments and the opportunity to interact with DND experts that have posed the challenges.

Forward-Looking Information Advisory

Certain information in this press release is forward-looking within the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. This forward-looking information includes, among other things, information with respect to grant funding and related projects, assumptions about future economic conditions and courses of action, and the Company's beliefs, plans, expectations, anticipations, estimates and intentions. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward-looking information. The forward-looking information in this material change report describes the Company's expectations as of the date of this news release and accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, it does not undertake to update this information at any particular time.

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