HEMOSTEMIX

Hemostemix Announces Development of an ACP-01 Allogeneic Process and Initiation of R&D for Autologous NCP-01 Neural Cellular Precursors

CALGARY, Alberta, Nov. 09, 2018 -- Hemostemix Inc. ("**Hemostemix**" or the "**Company**") (TSX VENTURE: HEM; OTCQB: HMTXF) is pleased to provide the following update on its research and development activities. Further to the Company's press release dated November 8, 2018 where it discussed research and development initiatives and refinements to its manufacturing process, the Company is pleased to announce it has made additional findings surrounding its overall technology platform and initiation of R&D work on NCP-01, another one of its product pipeline candidates.

As disclosed in its recent press release, the Company has been furthering its research and development ("R&D") initiatives with a focus on optimizing the manufacturing process of ACP-01, with an underlying focus on continuing to expand the potential of the Company's technology platform. As previously announced, the Company has a manufacturing agreement in place with Aspire Health Science LLC ("Aspire") to have access to Aspire's laboratory and personnel for R&D purposes. Over the past several months, the Company has run a total of thirty-nine (39) research batches which not only resulted in refinements to its manufacturing protocols, which, subject to regulatory approvals, will reduce product manufacturing time by 40% from five to three days, but has also resulted in findings surrounding the expansion of its technology platform to use an allogeneic process and further its research on NCP-01.

ALLOGENEIC PROCESS

Firstly, the research batches indicated the ACP-01 technology process can also support an allogeneic process, meaning cells from one donor may be used in many different recipients, with the batches meeting specific release criteria, such as minimum dose requirements. Further research will be required to confirm safety and efficacy of this process. The current ACP-01 process uses an autologous process which uses a patients' own peripheral blood which the Company processes into its cell-based therapies for reinjection back into the patient. Although an autologous process is beneficial in that there are no treatment rejection issues, often the patient population is very ill with comorbidities (the simultaneous presence of two or more chronic diseases or conditions in a patient), that results in a poor blood sample for processing, which is not the case with healthy third party donor blood. The Company's research has determined the ability to take a blood sample from a young healthy donor, blood-type match it to a patient and process the donor sample to produce a strong ACP-01 population which can be used to treat the ill patient. Having the ability to use an allogeneic process and use blood from other donors to create its treatment products is important as it would allow the Company to create an "off the shelf" product, increasing the number of patients that could be treated with the Company's therapy and expanding the commercialization potential of its technology platform.

As with the autologous process, the allogeneic process would be based on cells taken from peripheral blood, which is taken from a simple blood draw, not from bone marrow, adipose tissue or cord blood. The Company intends to obtain approval from the US FDA and Health Canada by doing a safety trial or adding an allogeneic safety arm to the ongoing Phase II clinical trial for critical limb ischemia. Once the application to regulatory agencies is approved, Hemostemix would then be able to treat patients autologously and allogeneically. Having an allogeneic product will also allow the Company to more easily work towards partially or completely automating the ACP-01 cell processing protocols.

NCP-01 R&D PROGRAM

The Company has also recently initiated an R&D program for generation of NCP-01 (Neural Cellular Precursors) from peripheral blood. The Company's R&D will focus on showing that NCP-01 is a product candidate that has the potential to treat such indications as amyotrophic lateral sclerosis ("ALS"), spinal cord injuries, Parkinson's disease and Alzheimer's disease through building new neuronal lineage cells in a patient. The NCP-01 product involves a lengthier therapy development process, however the Company believes this is an important market with significant unmet medical treatment needs.

"By utilizing the R&D expertise and capacity at Aspire's facility, we have been able to run a significant number of research and development tests to further our technology platform and research on other product candidates. We believe that having both an autologous and allogeneic process will greatly improve the commercialization potential of our technology as it will allow for an "off the shelf" treatment product to be manufactured and further allow us to automate the ACP-01 cell processing protocols for a homogeneous product with worldwide distribution potential," said Kyle Makofka, President and CEO of Hemostemix. "We are also very excited with our initial R&D efforts on NCP-01. With continuing R&D on NCP-01, we hope to recreate the same success we have seen with ACP-01, as both products are based on the same technology platform. We feel that the R&D work together with our recent manufacturing optimization, which results in a three-day treatment process, will also lead to furthering our already strong intellectual property portfolio."

ABOUT HEMOSTEMIX INC.

Hemostemix is a publicly traded clinical-stage biotechnology company that develops and commercializes innovative blood-derived cell therapies for medical conditions not adequately addressed by current treatments. It is one of the first clinical-stage biotech companies to test a stem-cell therapy in an international, multicenter, Phase II clinical trial for patients with critical limb ischemia ("CLI"), a severe form of peripheral artery disease ("PAD") caused by reduced blood flow to the legs. The Phase II trial targets a participant's diseased tissue with proprietary cells grown from his or her blood that can support the formation of

new blood vessels. The Company's intellectual property portfolio includes over 50 patents issued or pending throughout the world. Hemostemix has a manufacturing contract with Aspire Health Science, LLP ("Aspire"), for the production of ACP-01 and for research and development purposes at Aspire's Orlando, Florida, facility. Building towards commercialization, Hemostemix has also licensed the use, sale and import of ACP-01 for certain indications to Aspire in certain jurisdictions. The Company is continuing research and development of its lead product, ACP-01 with other applications, including cardiovascular, neurological and vascular indications.

For more information, please visit www.hemostemix.com or email office@hemostemix.com.

Contact:

Kyle Makofka, President and CEO
Suite 2150, 300– 5th Avenue S.W.
Calgary, Alberta T2P 3C4
Phone: (403) 506-3373
E-Mail: kmakofka@hemostemix.com

Forward-Looking Statements

This release may contain forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential," and similar expressions, or that events or conditions "will," "would," "may," "could," or "should" occur. Although Hemostemix believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Forward-looking statements are based on the beliefs, estimates, and opinions of Hemostemix management on the date such statements were made. By their nature forward-looking statements are subject to known and unknown risks, uncertainties, and other factors which may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, but are not limited to, the Company's stage of development, future clinical trials and results, long-term capital requirements and future ability to fund operations, future developments in the Company's markets and the markets in which it expects to compete, risks associated with its strategic alliances and the impact of entering new markets on the Company's operations. Each factor should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. Hemostemix expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.