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HEMOSTEMIX INC.

Hemostemix Announces Updates on Private Placement

August 15, 2017, Blackfalds, Alberta - Hemostemix Inc. (“**Hemostemix**” or the “**Company**”) (TSX VENTURE: HEM) announced today that the Company and PI Financial Corp. (the “**Agent**”) have mutually agreed to extend the time for the closing of the private placement offering (the “**Private Placement Offering**”) and the related escrow deadline and termination date described in its July 11, 2017 press release from August 15, 2017 to August 25, 2017.

As previously announced, the Private Placement Offering is part of a capital raising program consisting of (i) a \$4,400,000 secured credit transaction, (ii) a rights offering (the “**Rights Offering**”), (iii) the Private Placement Offering, and (iv) a series of shares for debt transactions (collectively, the “**Financings**”).

As announced earlier today, the Company has raised gross proceeds of \$1,063,750.75 from the Rights Offering.

As previously disclosed, it is expected that the remainder of the offering consisting of the Rights Offering and the Private Placement Offering combined (together the “**Offering**”) not filled based on the Rights Offering is expected to be filled based on the Private Placement Offering. If the Company does not on a combined basis raise the gross proceeds of a minimum of CDN\$5,000,000 (the “**Minimum Offering**”), the Company will not close on any conversion of Subscription Receipts issued based on the exercise of Rights. In the event the Release Notice is not provided on or before the escrow deadline, the subscriptions evidenced by each Subscription Receipt shall be automatically terminated and cancelled and each holder of Subscription Receipts will be entitled from and after such time to receive: (i) a refund of the aggregate subscription price in respect of such holder’s Subscription Receipts; and (ii) such holder’s *pro rata* portion of interest earned, if any, from the closing of the Offering to the termination time, on the escrowed proceeds less applicable withholding taxes, if any.

ABOUT HEMOSTEMIX INC.

Hemostemix is a public clinical-stage biotechnology company that develops and commercializes innovative blood-derived cell therapies for medical conditions not adequately addressed by current treatments. It is the first clinical-stage biotech company to test a stem-cell therapy in an international, multicenter, phase 2 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 2 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.

Hemostemix Inc. is traded on the TSX Venture Exchange under the trading symbol HEM. To find out more visit hemostemix.com or email office@hemostemix.com.

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

The securities offered pursuant to the Offering have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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, 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.