HEMOSTEMIX

Hemostemix Receives Health Canada Clearance to Continue with Critical Limb Ischemia Clinical Trials

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CALGARY, Alberta, Dec. 20, 2017 -- **Hemostemix Inc**. ("**Hemostemix**" or the "**Company**") (TSX VENTURE:HEM) announced today that they have received a No Objection Letter from Health Canada for its current clinical trial of its lead product ACP-01 for patients with critical limb ischemia (CLI) related to the transition of the Company's stem cell manufacturing operations from its prior Israel laboratory to its new third party North American supplier.

As described in previous news releases, the Company has moved manufacturing from its previous Company owned and operated facility in Israel to a third party manufacturer in North America. This was done to reduce overall costs and improve logistics for the North American clinical trial sites. As part of the realignment, the Company amended its previously approved clinical trial application with Health Canada and provided Health Canada with updated information, including test and sample product data verifying the equivalency of the manufactured product between the two manufacturing locations, old and new.

"In addition to providing Health Canada with the required information to allow Hemostemix to receive a No Objection Letter, we have also been working with clinical trial sites in Canada. We are very close to finalizing agreements with two sites in Canada and we hope to be able to have our first new patient in the trial by late January. Having two sites in Canada very close to being active and getting the Health Canada letter are significant and exciting steps in continuing with our clinical trials. We expect the clinical trials in the United States to also receive clearance in early 2018 and we are working on agreements with a number of clinical trial sites," said Dr. Ravi Jain, Chief Scientific Officer.

Commenting on receiving the No Objection Letter from Health Canada, Kyle Makofka, President and CEO of Hemostemix said, "We are very pleased to be able to continue our clinical trials in Canada for ACP-01. CLI takes a heavy human toll on the lives and lifestyles of people inflicted with it and is very costly. Approximately 3.4 Million people in the USA and another 4.2 million people in Western Europe are suffering from CLI. Many will not be eligible for revascularization and will have amputations. The annual economic cost for amputations related to CLI is $25 Billion. One of the main goals of our stem cell research is to develop a therapy to reduce the number of amputations required and to improve the lives of people who suffer from CLI and other vascular diseases. There are limited treatments to avoid amputations when patients are afflicted with CLI, other than revascularization surgery. Continuing with our clinical trials in Canada and the expected on-boarding of two sites in the near future puts Hemostemix in a ready position for late-January patient enrolment. This will allow many Canadians suffering from CLI, now and in the future, to be one step closer to this innovative and life changing therapy."

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 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.

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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Forward-Looking Statements

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“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.