

# CVR Medical And CVR Global Reach Strategic Agreement

## Accord Lays Pathway for Long Term Success

Vancouver, British Columbia--(Newsfile Corp. - May 29, 2018) - CVR Medical Corp. (TSXV: CVM) (FSE: B3BN) (OTCQB: CRRVF) ("CVR Medical") has reached agreement with joint venture partner CVR Global to acquire CVR Global's 50% interest in the joint venture and terminate the joint venture (the "Transaction"). The Agreement has been approved by the Board of Directors for both organizations and is now subject to the approval of CVR Medical's shareholders and (inclusive of all proposed share issuances) the TSX Venture Exchange ("TSXV").

This Agreement is a milestone driven equity distribution and royalty structure arrangement and significantly strengthens the business model of CVR Medical ahead of the eventual market release of the CSS device, and we believe it will benefit both organizations. The move from the joint venture partnership currently in place to this next structural phase, is a signal of confidence that CVR Medical is in position to successfully guide the finalization of developmental phases and seamlessly transition into marketing and sales of the CSS once market clearance/approval is received.

The Agreement will allow for the continued sharing of risk and reward with the issuance of 30MM additional shares, to be released to CVR Global upon successfully achieving four key future milestones. This new arrangement will also leverage CVR Global's R&D efforts to include any improvements on all future medical devices related to CVR Medical's existing scope of use, Carotid Arterial Health, as well as any improvements to all related IP. Upon completion of all mutually agreed upon milestones, CVR Global will become CVR Medical's largest individual shareholder. The proposed distribution of the CVR Medical shares would include:

Milestone:

- Approval & Signing of Agreement (3MM Shares)
- FDA Submission (2MM Shares)
- FDA Clearance / Approval (10MM Shares)
- Achievement of \$50MM in Sales Revenue from CSS Device Sales (15MM Shares) Contingent on a maximum 36-month timeframe from initial CSS sale

Additionally, CVR Global would also be granted a 7% royalty on all CSS device sales, with a 3% royalty on all associated disposable sales.

"We at CVR Medical are preparing for this transition with vigor and excitement," says CVR CEO Peter Bakema. "Our joint venture partnership with CVR Global has provided the foundation and momentum to develop the CSS into the pioneering tool we believe it to be, and is now time to take this step to place it in the best possible position to do so. The mutual desire on both sides to put CVR Medical fully in the driver's seat with regards to the CSS speaks to the maturation of this company and hard work put in by everyone involved. We have an incredible product, and are ready to take the reigns and guide it to market with the intention of realizing its potential."

Peter Bakema, the President, CEO and a director of CVR Medical is also the President, CEO, Chairman and a controlling shareholder of CVR Global. In addition, CVR Global is the holder of approximately 9.7% of the issued and outstanding shares of CVR Medical. As a result, the Transaction constitutes a Non Arm's Length Party transaction pursuant to applicable rules of the TSX-V, and a "related party transaction" pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Accordingly, the Transaction is subject to the minority approval (i.e. approval by a majority of the votes cast at a meeting of CVR Medical shareholders, excluding any shares held by CVR Global, its affiliates and joint actors) and formal valuation requirements of MI 61-101. CVR Medical expects to rely on an exemption from the formal valuation requirement pursuant to section 5.5(a) of MI 61-101.

For additional information on the organization, leadership, and current news please visit the company website

[www.CVRMed.com](http://www.CVRMed.com)

### About CVR Medical

CVR Medical is a company that is involved in an equal parts joint venture with CVR Global Inc. (the "Joint Venture"). The Joint Venture operates in the medical industry focused on the commercialization of a proprietary subsonic, infrasonic, and low frequency sound wave analysis technology and has patents to a diagnostic device designed to detect and measure carotid arterial stenosis. CVR Medical is managed by a proven technical team. CVR Medical trades on the TSX Venture Exchange under the symbol CVM.

ON BEHALF OF THE BOARD:

(signed) "Peter Bakema"  
CEO, President & Director

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*This press release contains forward-looking statements or information (collectively referred to herein as "forward-looking statements") that involves various risks and uncertainties regarding future events related to the Joint Venture and the Transaction. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements and are not guarantees of future performance of the Company. In this press release such statements include but are not limited to the completion of the Transaction and the associated regulatory and shareholder approval requirements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions in North America and internationally, (2) the inherent uncertainties and speculative nature associated with commercialization of technology and the practice of medicine, (3) a change in health regulations, (4) any number of events or causes which may delay or cease commercialization and development of the Joint Venture, (5) the risk that the Company or the Joint Venture does not execute its business plan, (6) inability to retain key employees, (7) inability to finance operations and growth, and (8) other factors beyond the Company's control. These forward-looking statements are made as of the date of this news release and, except as required by law, the Company assumes no obligation to update these forward-looking statements, or to update the reasons why actual results differed from those projected in the forward-looking statements.*

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