Annidis Corporation Reports 2016 Second Quarter Results and Director Resignation

OTTAWA ON September 7, 2016 – On August 29, 2016, **Annidis Corporation** (TSX Venture: RHA) ("**Annidis**" or the "**Company**"), announced its financial results for the three-month and six-month periods ended June 30, 2016. The unaudited condensed consolidated financial statements for the three and six months ended June 30, 2016, and the related Management's Discussion and Analysis are available at www.sedar.com.

Second Quarter Highlights

- Beginning in 2015 and continuing into 2016, the Company has made significant changes to its senior management team with the skills and experience required to reposition the business and products in the marketplace. The new management team will use a staged process to align the business with a customer focused product development and marketing strategy.

- There was a minor restructuring of the Company's operations in the period in order to better address current needs and reduce costs. Some of the activities originally planned for the period which required significant capital were deferred due to a delay in establishing longer term financing.

- The Company has invested additional resources in its research and development activities to strengthen product development and improve customer satisfaction with the instrument.

- Annidis believes that a new approach to marketing the instrument through focus on clinical validation, economic benefit to optometric practices and satisfied customer referrals will be an effective strategy to gain market share and to continue to build on relationships with key participants in the industry.

The Company believes that its technology is "leading edge" and has obtained endorsements of the product's capabilities from key opinion leaders in both the optometry and ophthalmology fields.

Key Financial Metrics

	Three months ended June 30		
	2016	2015	% Change
As at June 30			
Installed Base (units in clinics)	108	90	20.0%
	$	$	%
Revenue	98,182	381,893	(74.3)
Net loss	(1,291,564)	(1,527,057)	15.4
Net loss per share	(0.01)	(0.02)	50.0

Financial Highlights

- Revenue decreased by 74% to $98,182 for the three months ended June 30, 2016 compared to $381,893 for the same period in 2015 as the Company sold NIL units in 2016 compared to five units in 2015.

- Cost of sales was $33,105 for the three months ended June 30, 2016 compared to $252,037 for the same period in 2015.

- The gross margin percentage was higher in the second quarter of 2016 compared to the second quarter of 2015 – 66% of revenue compared to 34%. Since no units were sold in the second quarter of 2016, the revenue is primarily service revenue with low direct associated costs.

- Operating expenses declined by 29% in the second quarter of 2016 from the prior year - $1,298,497 in 2015 to $924,622 in 2016. This decrease resulted from a reduction in sales and marketing expense in the current year of $369,713 as a result of the restructuring of the Company's US sales department.

- Net loss was $1,291,564 ($0.01 per share) for the three months ended June 30, 2016 compared to a loss of $1,527,057 ($0.02 per share) for the same period in 2015.

- Net cash used in operating activities was $1,171,091 for the three months ended June 30, 2016 compared to $1,663,648 for the corresponding period in 2015.

- As at June 30, 2016, the Company's cash position was $253,419, compared to a cash position of $155,625 at December 31, 2015.

	Three months ended June 30	
	2016	2015
	$	$
Revenue by Source		
Sales	-	293,264
Rentals, support and maintenance fees	98,182	88,629
	98,182	381,893

	Three months ended June 30	
	2016	2015
	$	$
Revenue by Geography		
United States	83,895	362,914
China	-	-
Canada	14,287	18,979
	98,182	381,893

Resignation of Director

Michael Mueller has announced his resignation from Annidis' board of directors, effective September 1, 2016. The Company is pleased to have had the opportunity to benefit from Mr. Mueller's participation on the board and his counsel and guidance will be missed by the Company. The board of directors and management of Annidis would like to thank Mr. Mueller for his many years of distinguished service and would like to wish Mr. Mueller the very best in his future endeavors.

About Annidis Corporation

Annidis (TSX-V: RHA) has developed and manufactures and sells a new patented imaging platform technology based on Multi-Spectral Imaging ("MSI"). This new technology is opening a new frontier in disease identification and its management. The Annidis MSI technology allows eye-care professionals to view non-invasively the deepest areas of the eye aiding eye care professionals in the early identification and treatment of debilitating eye diseases. The Company's existing RHA Gold, used by eye care professionals as a broad based tool for detecting early-onset of eye related diseases such as Dry AMD, has a potential market of over 20,000 clinics in North America and further opportunities in China working with its distribution partner, Yimai Technology International Company. The RHA Platinum MD will further strengthen the value proposition allowing doctors to visualize choroidal and retinal vasculature non-invasively. The RHA Platinum MD has global market potential of more than 100,000 Ophthalmologists.

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