

Innovotech Inc.
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NEWS RELEASE

Innovotech Announces Unit Offering

Edmonton, August 24, 2020. Innovotech Inc. (“Innovotech”) (TSX-V, IOT) is pleased to announce a unit offering (“Offering”) of up to 1,875,000 units (“Units”) at a price of \$0.20 per Unit for gross proceeds of up to \$375,000, subject to regulatory approval. Each Unit is comprised of one (1) common share in the capital of Innovotech (“Common Share”) and one-half (½) Common Share purchase warrant (each whole warrant is referred to as a “Warrant”). Each Warrant entitles the holder to purchase one (1) additional Common Share at a price of \$0.25 for a period of three (3) years following the date of closing.

If, after four months and one day following the date of closing, the closing price of the Common Shares on the principal market on which such shares trade is equal to or exceeds \$0.40 per Common Share for twenty (20) consecutive trading days, then Innovotech will have the right to accelerate the expiry date of the Warrants. In the event of acceleration, the expiry date will be accelerated to a date that is thirty (30) calendar days following the date that Innovotech has issued a press release announcing the exercise of the acceleration right and the issuance of the press release shall be deemed to be sufficient notice to all warrant holders of the shortened exercise term as a result of the acceleration, and no further notification will be provided by Innovotech.

Innovotech intends to apply the proceeds from the Offering to general working capital.

Innovotech anticipates that certain “related parties” of Innovotech will participate in the Offering. The participation in the Offering of such “related parties” will constitute a “related party transaction” as defined under Multilateral Instrument 61-101, Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Offering will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101. In particular, Innovotech anticipates that the exemptions set out in paragraphs (a) and (b) in section 5.5 of MI 61-101 are applicable since the aggregate consideration to be paid by the related parties will not exceed 25% of the market capitalization of Innovotech and Innovotech is not listed on the Toronto Stock Exchange, but only on the TSX Venture Exchange. In addition, regarding the minority shareholder approval exemptions, the independent directors have determined that the exemptions set out in paragraphs (1)(a) and (b) in section 5.7 of MI 61-101 are applicable in that the aggregate consideration to be paid by the related parties will not exceed 25% of the market capitalization of Innovotech, the distribution of the securities to the related parties will have a fair market value of not more than \$2,500,000 and Innovotech is not listed on the Toronto Stock Exchange, but only on the TSX Venture Exchange.

About Innovotech Inc.

Innovotech is a Canadian biotechnology company owning proprietary intellectual property, conducting contract research, and owning and providing proprietary devices for testing in multiple applications in microbiology.

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This document may contain forward-looking statements that are predictive in nature and subject to risks and uncertainties that cannot be predicted or quantified; consequently, actual results may differ materially from past results and those expressed or implied by any forward-looking statements. Factors that could cause or contribute to such risks or uncertainties include, but are not limited to: the regulatory environment including the difficulty of predicting regulatory outcomes; changes in the value of the Canadian dollar; the Company's reliance on a small number of customers including government organizations; fluctuations in operating results; government policies or actions; progress and cost of clinical trials; reliance on key strategic relationships; uncertainty related to intellectual property protection and potential costs associated with its defense; the Company's exposure to lawsuits and other matters beyond the control of management. Should known or unknown risks or uncertainties materialize, or should management's assumptions prove inaccurate, actual results could vary materially from those anticipated. The Company undertakes no obligation to publicly make or update any forward-looking statements, except as required by applicable law.

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