SQI Diagnostics and McMaster University Announce $900,000 Collaborative Research and Development Grant

Grant to Move New Infection-Testing Technology from Lab to Market

TORONTO, April 13, 2021 -- SQI Diagnostics Inc. (the "Company" or "SQI") (TSX-V: SQD; OTCQB: SQIDF), a precision medicine company that discovers, develops and commercializes innovative rapid diagnostic testing for healthcare professionals, patients and consumers worldwide, today announced that SQI and researchers from McMaster University were awarded a three-year, $900,000 Collaborative Research and Development grant from the Natural Sciences and Engineering Research Council of Canada to develop new infection-testing technology to help detect critical, elusive markers of illness.

Designed as a coating for the lining of test tubes and other surfaces, the "smart surface" innovation improves the ability of diagnostic sensors to detect and measure the presence of cytokines, or proteins the body produces as part of its immune response, permitting more accurate measurement of infections sch as COVID-19 and cancer.

"This technology could be very useful in future pandemics, allowing researchers and clinicians to detect and identify cytokines faster and at lower cost," stated Tohid Didar of McMaster's Faculty of Engineering. "Having the chance to save lives would be so gratifying."

Mr. Eric Brouwer, SQI's Chief Scientific Officer, stated, "This new detection method could enhance SQI's existing technology to make it both more effective and more efficient. Collaborative partnerships such as these allow manufacturers to have access to leading-edge research and development to help new technologies through the often-difficult pathway to the marketplace."

About SQI Diagnostics

SQI Diagnostics Inc. is a precision medicine company that discovers, develops, and commercializes innovative rapid diagnostic testing for healthcare providers, patients, and consumers worldwide. The Company's proprietary advanced diagnostics target organ transplant, autoimmune disease and COVID-19 testing which include the developmental direct-to-consumer COVID-19 HOME Antibody Test, the RALI-Dx™ COVID-19 Severity Triage Test and the COVID-19 RALI-*fast*™ Severity Triage Point-of-Care (POC) Test. SQI's rapid diagnostic tests are intended to be sold to healthcare professionals so that patients can get accurate results and fast effective treatment, and direct-to-consumers so that individuals can be empowered to improve their health outcomes from the comfort of home.

SQI is fast-tracking the development of its COVID-19 diagnostic tests: a direct-to-consumer COVID-19 HOME Antibody Test and two COVID-19 Severity Triage Tests. The COVID-19 HOME Antibody Test identifies the semi-quantitative presence of IgM, IgA and IgG antibodies of SARS-CoV-2 in individuals who have been infected with COVID-19, individuals who have been vaccinated or asymptomatic individuals wanting to know if they have been exposed. The test is > 99% accurate with results delivered in 24-48 hours. The Company currently expects to apply to the U.S. Food and Drug Administration ("FDA") for Emergency Use Authorization ("EUA") for its COVID-19 HOME Antibody Test in the second quarter of calendar year 2021. Should the COVID-19 HOME Antibody Test receive regulatory approval, the test is expected

to be available direct-to-consumer which would allow individuals to avoid travelling to a clinic or hospital to be tested for the presence of the SARS-CoV-2 antibody.

The RALI-Dx™ IL-6 Severity Triage Test and the RALI-*fast*™ IL-6 Severity Triage POC Test each help clinicians identify which patients with SARS-CoV-2 will have a severe inflammatory response and should be admitted to the hospital to aid in determining the risk of intubation with mechanical ventilation. Both tests measure the critical biomarker IL-6 which plays a key role in the cytokine storm phase of COVID-19. The RALI-Dx™ IL-6 Severity Triage Test delivers results from the lab in about 50 minutes while the RALI-*fast*™ IL-6 Severity Triage POC test delivers results at the patient point-of-care in about 15 minutes. The Company currently expects to apply for an Interim Order with Health Canada for the RALI-Dx™ IL-6 Severity Triage Test and an EUA with FDA for RALI-fast™ IL-6 Severity Triage POC Test in the second quarter of calendar year 2021.

With organ transplant, SQI is pioneering the development of an advanced diagnostic test that increases the chance of successful lung transplant by assessing the health of the donor organ prior to transplant surgery. The Company's developmental TOR*dx*™ LUNG Test can detect inflammation at the molecular level to assess the health of the donor lung, enabling surgeons to transplant healthy lungs which otherwise would have been rejected; there is currently no other such test. SQI has partnered clinical development with the University Health Network (UHN) Hospitals, one of the largest health and medical research organizations in North America. Upon regulatory approval of the TOR*dx*™ LUNG Test, clinical development is planned for diagnostic tests designed to increase the chance of successful kidney and liver transplant.

For autoimmune disease testing, SQI has a direct-to-consumer Celiac Disease and a Rheumatoid Arthritis (RA) Test that enable people to screen for the diseases from the comfort of their home. The direct-to-consumer RA Test can help identify and confirm RA symptoms for timely care and treatment. The direct-to-consumer Celiac Test confirms disease and validates the effectiveness of dietary and lifestyle changes to confirm the autoimmune response is improving.

The Company is not making any express or implied claims that its products can eliminate, cure or contain COVID-19 (or SARS-2 Coronavirus) at this time. For its research and development, the Company is collaborating with UHN Hospitals, one of the largest health and medical research organizations in North America.

For more information, please visit www.sqidiagnostics.com.

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FORWARD-LOOKING INFORMATION

This press release contains certain words and statements, which may constitute "forward-looking statements" within the meaning of applicable securities laws. Such forward-looking statements may be identified by words such as "anticipates", "plans", "proposes", "estimates", "intends", "expects", "believes", "may" and "will". The forward-looking statements reflect the current views of the Company with respect to future events and are subject to certain risks and uncertainties detailed in the Company's ongoing filings with the securities regulatory authorities, available to the public at www.sedar.com. The forward-looking statements in this press release include, without limitation, statements with respect to the use and allocation of the proceeds of Funding. Such statements are subject to numerous important factors, risks and uncertainties, many of which are beyond the company's control, that may cause actual events or results to differ materially from the company's current expectations. Management's expectations and therefore any forward-looking statements in this press release could be affected by risks and uncertainties relating to a number of factors, including, but not limited to, the following: the development and viability the Company's COVID-19 HOME Antibody Test, its COVID-19 RALI-dx™ Severity Triage Test and its COVID-19 RALI-fast™ Severity Triage Point-of-Care (POC) Test, the suitability of such tests for advanced clinical testing, including human trials, the content and timing of decisions made by the FDA relating to the use and commercialization of such tests, the timing and costs involved in establishing the commercialization of the tests, the impact that the ongoing COVID-19 pandemic may have on the company's business, including the expected development, manufacturing, regulatory and commercialization timelines relating to the aforementioned COVID-19-related tests. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly

update or revise any forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable securities laws

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