SQI Diagnostics Inc. Announces $3.9 Million Funding via Warrant Exercise by Insiders

Toronto, Ontario, June 15, 2021 – SQI Diagnostics Inc. ("SQI" or the "Company") (TSX-V: SQD; OTCQB: SQIDF), a life sciences and diagnostics company that develops and commercializes proprietary technologies and products for advanced microarray diagnostics today announces that certain insiders of the Company, who are control persons (the "**Control Persons**"), have exercised **19,687,504** common share (each, a "**Share**") purchase warrants of the Company (the "**Insider Warrants**") for aggregate gross proceeds of approximately $**3.9** million. Of the Insider Warrants exercised, 19,687,504 Insider Warrants were exercised at a price of $0.20 per Share (collectively, the "**Funding**").

SQI intends to use the proceeds of the Funding to invest in manufacturing and commercialization scaleup activities, in anticipation of approvals of its filed and pending US FDA regulatory submissions. "I and the insiders continue to have confidence in our investment in SQI and its recent product development accomplishments", said Clive Beddoe, SQI's Interim Chief Executive Officer. "We are approaching a significant inflection point for the Company and this injection of capital will strengthen our balance sheet and allow the Company to continue its momentum towards commercialization."

In connection with the completion of the Funding, the directors of the Company, excluding the Control Persons, approved a waiver (the "**Acceleration Waiver**" and, together with the Funding, the "**Insider Warrant Arrangement**") by the Company of the Company's right to accelerate the expiry date of all 59,437,504 of its currently outstanding common share purchase warrants with expiry date acceleration provisions (the "**Accelerable Warrants**"), including: (i) 12,344,233 Accelerable Warrants with expiry dates that could be accelerated in the event that the Shares traded at a price of $0.43 for at least 20 consecutive trading days, of which **11,538,462** such Accelerable Warrants are held by Control Persons; and (ii) 47,093,271 Accelerable Warrants with expiry dates that could be accelerated in the event that the Shares traded at a price of $0.50 for at least 20 consecutive trading days of which **39,675,005** such Accelerable Warrants are held by Control Persons. As a result of the Acceleration Waiver, all outstanding 59,437,504 Accelerable Warrants will remain exercisable for the duration of their respective terms regardless of the trading price of the Shares.

The Insider Warrant Arrangement may be considered a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The Company is relying on exemptions from the formal valuation and minority approval requirements in sections 5.5(g) and 5.7(1)(e) of MI 61-101 in respect of the Insider Warrant Arrangement on the basis of financial hardship.

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 serological 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.

Under serological testing, SQI is fast-tracking the development of three COVID-19 diagnostic tests: a direct-to-consumer Antibody Test and two COVID-19 Severity Triage tests. The COVID-19 HOME Antibody Test identifies the presence of IgM, IgA and IgG antibodies of SARS-CoV-2 in individuals suspected to have been infected with COVID-19 and asymptomatic individuals wanting to know if they have been exposed. The test is > 99% accurate with results delivered in 24-48 hours. 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™ COVID-19 Severity Triage Test and the RALI-*fast*™ COVID-19 Severity Triage POC Test each help clinicians identify which patients with SARS-CoV-2 will have a severe inflammatory response and require hospital admission or not. Both tests measure the critical biomarker IL-6 which plays a key role in the cytokine storm phase of COVID-19. The RALI-Dx™ delivers results from the lab in under an hour while the RALI-*fast*™ delivers results at the patient's point-of-care in about 15 minutes.

Under 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 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. Under 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 organization in North America.

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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 relating to future events or future performance and reflect the current expectations and assumptions of the Company regarding its growth, results of operations, performance, business prospects and opportunities. These statements generally can be identified by use of forward-looking words such as "may", "would", "could", "will", "should", "expect", "plan", "estimate", "anticipate", "intends", "believe", "potential", or "continue" or the negative thereof or similar variations. The Company's actual results and performance discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, the effect of the global pandemic and consequent economic disruption, and the factors detailed in the Company's ongoing filings with the securities regulatory authorities, available at www.sedar.com. Although the forward-looking statements contained herein are based on what we consider to be reasonable assumptions based on information

currently available to us, there can be no assurance that actual events, performance or results will be consistent with these forward looking statements, and our assumptions may prove to be incorrect. 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 law.

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