



CVR Medical Announces Termination of the Non-Binding Term Sheet and the Resignation of Dr. Dallas Hack

Resignation and Termination of Term Sheet Due to Review of the Two Alternate Proposals Received from its Former CEO and CVR Global

VANCOUVER, BC / March 9th, 2020 / / CVR Medical Corp. (CVM.V) (TSXV: CVM) (OTCQB: CRRVF) (“CVR Medical” or the “Company” or “we” or “us” or “our”) a Canadian listed and US based healthcare company in the medical device sector announces, effective immediately, Dr. Dallas Hack has resigned from the Company as a result of “Material Differences with the Board of Directors, the ongoing related party, common control and conflicts of interest with its former CEO and CVR Global Inc. (“CVR Global” or “Global”) all of which continue to hamper the Company’s ability to raise capital.” Dr. Hack has served as the interim CEO, CFO and also as a Member of the Board of Directors. Additionally, the company has ceased dialogue with certain former members of the management team and board who resigned in 2019, who have been negotiating on behalf of an investment group looking to fund and revive the company. Dr. Dallas Hack, has worked tirelessly and heroically since assuming these roles, at a great financial sacrifice, and has loaned the company almost USD\$100k in order to pay for its limited ongoing operations. Wayne Hellman and Joel Kanter notified Dr. Hack of the Termination of the Non-Binding Term Sheet which was executed on November 25, 2019 by them on behalf of the investor group, CVR Medical, CVR Global and its former CEO. A brief summary of those terms and conditions of the Non-Binding Term Sheet are as follows:

- Former CEO to receive USD \$10,000 per month for 24 Months as Severance
- 25M Shares of CVR Medical to be released from escrow (subject to 3-year Lock-up on all 36.6M Shares held by Global)
- Upon achieving FDA approval and achieving Sales, a Royalty of 7% on all Device Sales (less discounts) and a Royalty of 3% on all consumable sales (less discounts) was to be paid to Global
- CVR Medical would only be responsible for any AP accrued on its own books and would not assume any of the AP (USD\$4M) on Global’s balance sheet. Medical would negotiate in good faith on a case by case basis with all creditors on terms acceptable to Medical offering no assurances that any amicable agreement with each creditor could be met.
- Medical would negotiate with all former consultants, contractors and employees it wanted to hire and contract with each on terms and conditions acceptable to CVR Medical.
- Medical would control all manufacturing (inclusive of Canon and identified sub-component sub-contractors), engineering, IP and patents, clinical trials, regulatory, sales and marketing (both domestic and international) and FDA matters necessary to bring the CSS to commercialization. Global would cede all operational control of the CSS for its intended market of use (Carotid Arterial Health – Stroke) to Medical.

The termination of the Non-Binding Term Sheet between the parties and the resignation of Dr. Hack come after receipt of the fourth iteration of the Definitive Agreement and License Agreement which was expected to contain the legal language necessary to support the terms and conditions mutually agreed upon in the Non-Binding Term Sheet. Upon review, it was determined by Dr. Hack that the terms and conditions in this fourth iteration would be unacceptable to the former officers and directors as well as the investment group as many of the conditions would render the company unfundable in his opinion.

About CVR Medical

CVR Medical Corp. is a healthcare company that operates in the medical device industry focused on the commercialization of its disruptive, proprietary [Carotid Stenotic Scan](#) (CSS). The CSS device is a diagnostic tool that encompasses subsonic, infrasonic, and low frequency sound wave analysis technology. The CSS is a patented device designed to detect and measure carotid arterial stenosis. Clinical trials are pending at several preeminent research institutions including The Mayo Clinic, The Cleveland Clinic, Thomas Jefferson University and Henry Ford Hospital and CVR Medical plans to re-submit its CSS device to the FDA as a De Novo application. CVR Medical is listed on the TSX Venture Exchange under the symbol CVM and on the OTCQB under the symbol CRRVF. Additional information regarding the Company can be found in our recent filings on SEDAR as well as the information maintained on our website at www.cvrmed.com

ON BEHALF OF THE BOARD:

(signed) "Dr. Dallas Hack"

Interim Chief Executive Officer, CFO & Director

For further information contact:

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This press release contains forward-looking information that involves various risks and uncertainties regarding future events related to the Joint Venture. 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. 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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