

**NEW RELEASE****INNOVOTECH REPORTS ACQUISITION OF SHARES OF LISTED HEALTH SECTOR COMPANIES**

Edmonton, January 5<sup>th</sup>, 2021. Innovotech Inc., (the “Company”) has agreed to issue 599,211 common shares of the Company at a deemed price of \$0.19 per common share for the acquisition (the “Acquisition”) of 250,000 NexgenRx Inc. (“NexgenRx”) shares (TSXV – NGX) and 60,000 Cipher Pharmaceuticals Inc. (“Cipher”) shares (TSX – CPH). The Company currently does not hold any of the above-mentioned shares prior to this acquisition. The transaction is valued at \$113,850 calculated at the closing price of NexgenRx at \$0.225 per share, and Cipher at \$0.96 per share on January 4<sup>th</sup>, 2021.

The NexgenRx and Cipher shares are being acquired from Lonsdale Capital Corporation in a non-arms-length transaction that will be subject to regulatory approval by the TSX-V and these shares are intended to be held as long-term investments. A written submission has been made to the TSX-V for the required approval of this Acquisition.

As reported in sequential MD&As the Company has been seeking to grow through whole company acquisitions, and it will continue to do so; however, in the interim, the Company believes that fractional strategic acquisitions as outlined above can provide superior long-term returns on investment with no increase in costs, at lower dilution of equity than whole company acquisitions, while adding flexible liquidity. The opportunity to trade shares for shares in this transaction has the result of expanding the Company’s already strong balance sheet while providing diversification into other biotechnology and health industry segments.

The issuance of shares to an insider pursuant to the Acquisition 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 Acquisition will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101. In particular, the Company 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 party will not exceed 25% of the market capitalization of the Company and the Company 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 party will not exceed 25% of the market capitalization of the Company, the distribution of the securities to the related party will have a fair market value of not more than \$2,500,000 and the Company is not listed on the Toronto Stock Exchange, but only on the TSX Venture Exchange.

**About Innovotech:** 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.

*James G. Timourian*  
President & Director  
**Innovotech Inc.**

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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 the policies of the TSX Venture Exchange) accept responsibility for the adequacy of accuracy of this release.**