

July 8, 2016



SDI Provides Update on Proposed Acquisition

FITCHBURG, Mass.--(BUSINESS WIRE)-- (TSX-V:SDZ) (OTCBB:SDEV)

Security Devices International Inc. ("SDI" or the "Company") provides an update to the status of its proposed acquisition, as previously released on May 13, 2016, and April 21, 2016.

During the Company's due diligence process, SDI identified a number of items in the target company's (the "Target") financial statements that raised concerns in support of the negotiated price of the transaction. SDI has terminated discussions with the Target at this time.

SDI remains open to re-visiting this opportunity in the future.

SDI's management continues to look for acquisitions and strategic partnerships in the less-lethal sector, to broaden its distribution reach, and line of products.

An application has been approved by the Toronto Venture Exchange to extend the term of warrants issued by the Company on August 9, 2012 (the "Warrants") at a price of \$0.20. The Warrants were scheduled to expire on August 9, 2016, but will now expire on August 7, 2020. All other terms of the Warrants will remain in effect.

Forward Looking Statement

The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward looking statements. Because of certain risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward looking statements. Although SDI believes that the expectations reflected in forward looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct.

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SDI:

Allen Ezer, 416-453-7798

Exec. VP

www.securitydii.com

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