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DiaMedica Therapeutics Appoints Julie Daves as SVP, Clinical Development Operations

Leadership Team Continues to Expand with Addition of Key Leader in Clinical Operations

MINNEAPOLIS--(BUSINESS WIRE)-- DiaMedica Therapeutics Inc. (Nasdaq: DMAC), a clinical-stage biopharmaceutical company focused on developing novel treatments for neurological disorders and kidney diseases, announced today the appointment of Julie VanOrsdel Daves, MSHS, CCRP, as Senior Vice President (SVP), Clinical Development Operations. Ms. Daves, a recognized leader in managing global clinical studies, has significant experience in all phases of clinical development and will complement DiaMedica's growing clinical team.

"Julie brings nearly two decades of clinical development operations experience to DiaMedica across a wide breadth of pharmaceutical therapeutic areas, including Phase 3 pivotal programs. She is an expert in trial execution and management of the myriad of vendors required to deliver trials on-budget and on-time and with impactful data," commented Rick Pauls, DiaMedica's President and CEO. "We're very pleased to have Julie join us at this critical time as we prepare to resume enrollment in our ReMEDy2 acute ischemic stroke (AIS) trial and work toward providing stroke patients with a new therapeutic option."

Ms. Daves most recently served as a consultant to DiaMedica and as Vice President and Global Head, Clinical Operations at Sanifit, which was recently acquired by CSL in January 2022. Prior roles include leadership positions in clinical operations at Edgewise Therapeutics, miRagen Therapeutics, Chiltern, Array Biopharma, and BioCryst Pharmaceuticals. She has a broad range of experience from Phase 1a (first-in-human) through Phase 3 registrational studies, including renal, dermatology, arthritis, oncology, autoimmune and neuromuscular disease, and vaccine development. "This is an exciting time to join the DiaMedica team and to help complete the development of a novel treatment for acute ischemic stroke, a group of patients with truly significant unmet medical need," she commented.

Ms. Daves is a certified clinical research professional and received her MSHS in Clinical Research Administration from The George Washington University School of Medicine and Health Sciences and BS in Zoology from North Carolina State University.

Inducement Grant Under Nasdaq Listing Rule 5635(c)(4)

In connection with Ms. Daves' appointment, the Company granted her an inducement stock option to purchase 140,000 common shares of DiaMedica pursuant to the DiaMedica Therapeutics, Inc. 2021 Employment Inducement Incentive Plan. The inducement grant was approved by the Company's compensation committee of the board of directors and was

effective as of Ms. Daves' first date of employment, September 13, 2022, and was a material inducement to her acceptance of employment with the Company in accordance with Nasdaq Listing Rule 5635(c)(4).

The stock option has an exercise price of $1.47 per share, which is equal to the closing price of DiaMedica's common shares on the grant date and a 10-year term. The option will vest over four years, with 25 percent of the shares underlying the option vesting on the one-year anniversary of the grant date, and the remaining shares vesting in equal amounts monthly over the remaining three years. The inducement grant is subject to the terms and conditions of an award agreement and the plan under which it was granted.

About DM199

DM199 is a recombinant (synthetic) form of KLK1. KLK1 is a serine protease (protein) that plays an important role in the regulation of diverse physiological processes including blood flow, inflammation, fibrosis, oxidative stress and neurogenesis via a molecular mechanism that increases production of nitric oxide and prostaglandin. KLK1 deficiency may play a role in multiple vascular and fibrotic diseases such as stroke, chronic kidney disease, retinopathy, vascular dementia, and resistant hypertension where current treatment options are limited or ineffective. DiaMedica is the first company to have developed and clinically studied a recombinant form of the KLK1 protein. The KLK1 protein, produced from porcine pancreas and human urine, has been used to treat patients in Japan, China and South Korea for decades. DM199 is currently being studied in patients with acute ischemic stroke (AIS) and patients with chronic kidney disease. In September 2021, the FDA granted Fast Track Designation to DM199 for the treatment of AIS.

About DiaMedica Therapeutics Inc.

DiaMedica Therapeutics Inc. is a clinical stage biopharmaceutical company committed to improving the lives of people suffering from serious diseases. DiaMedica's lead candidate DM199 is the first pharmaceutically active recombinant (synthetic) form of the KLK1 protein, an established therapeutic modality for the treatment of acute ischemic stroke and chronic kidney disease. For more information visit the Company's website at www.diamedica.com.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and forward-looking information that are based on the beliefs of management and reflect management's current expectations. When used in this press release, the words "estimate," "believe," "anticipate," "intend," "expect," "plan," "continue," "potential," "will," "may" or "should," the negative of these words or such variations thereon or comparable terminology and the use of future dates are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include statements regarding the resumption of the ReMEDy2 trial and the anticipated clinical benefits and success of DM199, including being a potentially life changing drug to stroke patients. Such statements and information reflect management's current view and DiaMedica undertakes no obligation to update or revise any of these statements or information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any

future results, performance or achievements expressed or implied by such forward-looking statements. Applicable risks and uncertainties include, among others, the risk that the Company may not know the cause of the hypotension events that occurred in the ReMEDy2 trial or that its plan to resolve the issues and prevent future events may not be successful; the risk that the Company may not be able to address successfully the concerns identified in the clinical hold letter or may require the Company to collect additional data or information beyond what it currently expects; the risk that the Company may not be able to lift the clinical hold or do so in a timely manner; uncertainties relating to regulatory applications and related filing and approval timelines, including the risk that FDA may not remove the clinical hold on the ReMEDy2 trial; the possibility of additional future adverse events associated with or unfavorable results from the ReMEDy2 trial; the possibility of unfavorable results from DiaMedica's ongoing or future clinical trials of DM199; the risk that existing preclinical and clinical data may not be predictive of the results of ongoing or later clinical trials; DiaMedica's plans to develop, obtain regulatory approval for and commercialize its DM199 product candidate for the treatment of acute ischemic stroke and chronic kidney disease and its expectations regarding the benefits of DM199; DiaMedica's ability to conduct successful clinical testing of DM199 and within its anticipated parameters, enrollment numbers, costs and timeframes; the adaptive design of the ReMEDy2 trial and the possibility that the targeted enrollment and other aspects of the trial could change depending upon certain factors, including additional input from the FDA and the blinded interim analysis; the perceived benefits of DM199 over existing treatment options; the potential direct or indirect impact of the COVID-19 pandemic, hospital and medical facility staffing shortages, and worldwide global supply chain shortages on DiaMedica's business and clinical trials, including its ability to meet its site activation and enrollment goals; DiaMedica's reliance on collaboration with third parties to conduct clinical trials; DiaMedica's ability to continue to obtain funding for its operations, including funding necessary to complete planned clinical trials and obtain regulatory approvals for DM199 for acute ischemic stroke and chronic kidney disease, and the risks identified under the heading "Risk Factors" in DiaMedica's annual report on Form 10-K for the fiscal year ended December 31, 2021 and subsequent U.S. Securities and Exchange Commission filings, including its quarterly report on Form 10-Q for the quarterly period ended June 30, 2022. The forward-looking information contained in this press release represents the expectations of DiaMedica as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While DiaMedica may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable laws.

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