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DiaMedica Presents Updated Positive DM199 Phase Ib Trial Identifying A Superior Subcutaneous Delivery Profile

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- ***DM199 produced a superior drug profile***
- ***Identified optional dose of DM199 subcutaneous and intravenous delivery***
- ***Company to initiate Phase II trials***

DiaMedica Therapeutics Inc. (the "***Company***") (TSX VENTURE:DMA)(OTCQB:DMCAF), a clinical stage biopharmaceutical company developing synthetic protein treatments for neurological and kidney diseases, reports positive results from its Phase Ib bridging trial. The study was designed to compare the profile of DM199 to the approved urinary KLK1 product (trade name Kailikang®) on the market in Asia for acute ischemic stroke. The reference drug is administered intravenously and has a very short half-life. The DiaMedica study identified an intravenous dose of DM199 having a similar profile to urinary KLK1.

Today the Company is reporting an improved subcutaneous dose of DM199 producing sustained plasma levels superior to the reference drug. The Company plans to use the results of this study to guide Phase II dosing in upcoming clinical trials.

The DM199 subcutaneous delivery provides sustained levels of the KLK1 protein, offering a potentially superior profile to the reference drug, which has a very short exposure window. The dosing of DM199 will be significantly more convenient and potentially provide improved efficacy to the short half-life of the reference drug. DM199 has the same amino acid sequence as the reference drug, identical biochemical activity, and demonstrated similar physiological effects.

The Phase Ib controlled trial tested DM199 in 36 healthy volunteers, who received either one of four 30-minute intravenous infusions or a single subcutaneous injection. Plasma DM199 concentration, biomarker concentrations, and other safety and pharmacokinetic parameters were measured in the trial.

"We are very pleased to have identified an intravenous dose of DM199 that mimics the currently approved version of the drug and a new subcutaneous delivery option that could provide sustained therapeutic levels of DM199 for acute ischemic stroke," said Dr. Todd Verdoorn, Chief Scientific Officer of DiaMedica. "This study identified what we believe is an optimal dosing of DM199, fully supporting upcoming Phase II trial in stroke patients."

No treatment-limiting adverse events were reported in any dose group. The Company plans to publish the full results of the study in a peer reviewed journal.

About DM199

DM199 is a recombinant (synthetic) human tissue kallikrein ("KLK1") protein to treat neurological and kidney diseases. DiaMedica has completed five clinical trials with DM199, including single ascending and multiple ascending doses, studies in diabetic patients, and the current bridging study. In addition to a good safety and tolerability profile, DM199 showed the anticipated activity, lowering blood pressure over the course of treatment in multiple clinical studies. In a recent preclinical study, DM199 significantly increased cerebral blood flow.

About KLK1 in Asia

Two forms of the KLK1 protein are approved in Asia for the treatment of acute ischemic stroke and diabetic nephropathy (diabetic kidney disease). A human urinary KLK1 (Kailikang®) protein and a porcine KLK1 (Kallidinogenase) protein have been approved in Asia for acute ischemic stroke, diabetic nephropathy, hypertension, and retinopathy. DiaMedica estimates over 200,000 patients are treated each year with the two forms of the KLK1 protein in Asia with total estimated sales of over $200 million U.S.

About DiaMedica Therapeutics Inc.

DiaMedica Therapeutics is a clinical stage biopharmaceutical company focused on developing novel treatments for neurological and kidney diseases. DiaMedica's shares are listed on the TSX Venture Exchange under the trading symbol "DMA" and on the OTCQB under the trading symbol "DMCAF". For more information, please visit www.diamedica.com. Follow us on social media - Twitter, LinkedIn.

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