

May 8, 2019



Avant Diagnostics, Inc. Corporate Update

Washington, DC, May 08, 2019 (GLOBE NEWSWIRE) -- Avant Diagnostics, Inc. hereby provides the following corporate update to the Company's shareholders. A copy of the update can also be found on the Company's website at www.avantdiagnostics.com

Dear Avant Shareholders:

Thank you for your continued support of Avant Diagnostics, Inc. ("Avant" or the "Company") and the patience you have shown through these past years.

I would like to address some of the progress we have made, as well as some issues that the Company has faced along with how the Company plans to work through these issues during the remainder of the calendar year ended December 31, 2019:

- The Company was severely delinquent in its reporting obligations with the Securities and Exchange Commission (SEC) when I became CEO last May. After substantial expense and extraordinary work done by the Avant team, the Company became current with these obligations upon the filing of its Form 10-Q for the quarter ended December 31, 2018 in March 2019;
- On September 18, 2018, the Company was named as a respondent in an Order Instituting Administrative Proceedings and Notice of Hearing brought by the SEC pursuant to Section 12(j) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), File No. 3-18784 (the "Hearing"). The purpose of the Hearing was to determine whether it was necessary and appropriate for the protection of investors to suspend for a period not exceeding twelve months or revoke the registration, of each class of securities of the Company registered pursuant to Section 12 of the Exchange Act. The Hearing was scheduled because the Company was delinquent in its periodic filings with the SEC;
- After conversations with the SEC over the last month, on May 7, 2019, the Company signed an order that would provide that the registration of the Company's common stock and any other class of its securities registered pursuant to Section 12 of the Exchange Act will be revoked, subject to approval of the SEC (the "Proposed Order");
- Because of the reasons discussed above, the Company will not be filing a Form 10-Q for the quarter ended March 31, 2019 with the SEC but wants shareholders to know that the financial statements for this period have been reviewed and finalized with the Company's outside auditor;
- While the Proposed Order would revoke Avant's registration with the SEC, it would not subject Avant to any penalties, financial or otherwise;
- Despite the pending approval of the Proposed Order, the Proposed Order will not permanently bar the Company from registering its common stock or other securities under the Securities Act of 1933, as amended (the "Securities Act") and/or Section 12 of the Exchange Act in the future;
- Once the Proposed Order goes into effect, the Company intends to undertake a restructuring plan in order to (a) restructure its legal and capital structure to hopefully become more appealing to the capital markets, (b) take steps to use commercially reasonable efforts to settle all, if not substantially all, of its outstanding litigation, and (c) continue to implement its business plan to have a fully functioning laboratory as described below;
- The Company will seek in the near-term to register all of its securities with the SEC by filing a registration statement under either the Securities Act, or the Exchange Act, subject to any limitations imposed by the SEC and its rules and regulations, all of which is subject to review and approval by the SEC;
- In addition, the Company will work with a market maker so it can take commercially reasonable steps to apply to have its common stock approved for quotation on an over-the-counter market;

- Avant has made tremendous efforts and progress to settle any lawsuits or fight vigorously any suits over the past year that the Company feels are frivolous. We will continue to do so as we move forward;
- Avant's management continues to attend trade shows where we are getting substantial traction in the marketplace for our services. We will have a booth at the American Society of Clinical Oncology (ASCO) annual meeting in June, one of the largest cancer conferences in the world. We have hired a very experienced and capable Senior Director of Business Development who is eager to begin selling our laboratory services to bio-pharmaceutical companies as soon as the lab opens and eventually to oncologists when our lab becomes CAP/CLIA certified (which is expected between 3-6 months after our lab is operational);
- Our laboratory is ~95% complete and we have one of our new Ph.D.'s, from George Mason University ("GMU"), on site busily preparing us for our lab opening—which we are hopeful to have by Q4 2019. In addition, another Ph.D. from GMU has agreed to join Avant as well as a very knowledgeable histotech with specific CAP/CLIA implementation experience. Our lab will soon be fully staffed for its opening;
- The United States Patent and Trademark Office granted Avant on April 30, 2019 a Notice of Allowance for Avant's Service Mark, Precision Medicine for Life. This Service Mark embodies our mission;
- Finally, I would like to personally thank Ginny Espina, Ph.D., Chip Petricoin, Ph.D. and Lance Liotta, M.D. Ph.D., from the Proteomics Lab at GMU, the inventors of our technology for their total support of Avant over the past year and their unwavering belief in Avant's management team and our mission. Without them, we wouldn't be where we are today.

Avant's management team is excited for the future. Our near-term goal is to reopen our new lab as soon as possible and to be able to potentially bring in revenue through Avant's patented technology. While the process of restructuring the Company will not be easy or quick, Avant's management team is committed to seeing this through and to the success of the Company.

Thank you again for your continued support and patience.

With great appreciation,

Mick Ruxin, M.D.

President & CEO

For further information please visit <http://www.avantdiagnostics.com>.

Forward-Looking Statements

Certain statements in this press release are forward-looking statements. These statements may be identified by the use of forward-looking words such as "anticipate," "believe," "forecast," "estimated" and "intend," among others. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs but they involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These factors include, but are not limited to, our ability to continue as a going concern; our need for additional financing; and risks related to failure to obtain FDA clearances or approvals and noncompliance with FDA regulations. There are no guarantees that any of our products will receive regulatory or prove to be commercially successful. Shareholders should read the risk factors set forth in Avant's Form 10-K filed with the Securities and Exchange Commission on March 1, 2019, and other periodic reports previously filed with the Securities and Exchange Commission. The information set forth herein should be read in light of such risks. You are urged to consider these factors carefully in evaluating the forward-looking statements herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by this cautionary statement. The forward-looking statements made herein speak only as of the date of this press release and the Company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.

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Source: Avant Diagnostics, Inc.



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