

December 1, 2016



# DiaMedica Announces the Sale and Transfer of its DM-71 Product for Type 2 Diabetes

MINNEAPOLIS, MINNESOTA -- (Marketwired) -- 12/01/16 -- DiaMedica Inc. (the "**Company**") (TSX VENTURE:DMA)(OTCQB:DMCAF) today announced the sale and transfer of its DM-71 product and related intellectual property. The sale of this non-core asset provides DiaMedica with a total of \$300,000 in upfront payments, of which \$50,000 had been previously received, and a royalty stream linked to future sales.

"The asset was sold to a private biotechnology company for use in the treatment of Type 2 diabetes. The sale allows us to focus on our core priorities while continuing to benefit from this important legacy technology," said Rick Pauls, President & CEO. "This transaction provides the potential to generate value from our patent portfolio without investing our own capital to progress DM-71 development and, hopefully, improve the lives of patients in the future."

## ***About DiaMedica***

DiaMedica is a clinical stage biopharmaceutical company focused on developing novel treatments for kidney and neurological 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".

## **FORWARD-LOOKING STATEMENTS**

The statements made in this press release that are not historical facts contain forward-looking information that involves risk and uncertainties. All statements, other than statements of historical facts, which address DiaMedica's expectations, should be considered forward-looking statements. Such statements are based on management's exercise of business judgment as well as assumptions made by and information currently available to management. When used in this document, the words "may", "will", "anticipate", "believe", "estimate", "expect", "intend" and words of similar import, are intended to identify any forward-looking statements. You should not place undue reliance on these forward-looking statements. Forward looking statements in this news release include, but are not limited to, the Company's objectives, goals, future plans and statements regarding the use of proceeds from the private placement. Factors that could cause actual results to differ materially from such forward-looking information described in detail in the DiaMedica's filings with the Canadian securities regulators, all of which are available on SEDAR ([www.sedar.com](http://www.sedar.com)). Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results could differ materially from those anticipated in these forward-looking statements. DiaMedica undertakes no obligation, and does not intend, to update, revise or otherwise publicly release any revisions to these

forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of any unanticipated events, unless required by law. Although management believes that expectations are based on reasonable assumptions, no assurance can be given that these expectations will materialize.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of the contents of this press release.*

DiaMedica Inc.  
Donna Husemoller  
Corporate Controller  
763-270-0603  
[info@diamedica.com](mailto:info@diamedica.com)

Source: DiaMedica Inc.