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DiaMedica Therapeutics Has Applied to List its Common Shares on Nasdaq, Announces Share Consolidation

MINNEAPOLIS, Nov. 12, 2018 (GLOBE NEWSWIRE) -- DiaMedica Therapeutics Inc. (TSX Venture:DMA) (OTCQB:DMCAF), a clinical stage biopharmaceutical company, announced today that it has applied to list its common shares on The Nasdaq Capital Market. In connection with the planned U.S. listing, the Company, as authorized by its shareholders on November 6, 2018, is implementing a consolidation of its outstanding common shares.

"We have made significant progress in positioning DM199 to treat patients with stroke and kidney diseases, including having recently announced a partnership with Ahon Pharmaceuticals, a subsidiary of Fosun Pharmaceuticals, for the treatment of acute ischemic stroke in China in an effort to deliver value to our shareholders," said Rick Pauls, DiaMedica's President and Chief Executive Officer. "This year, we have initiated a Phase II clinical study in patients who have suffered from an acute ischemic stroke and we are about to initiate a clinical study in patients with chronic kidney disease. With the anticipated upcoming clinical and other milestones, we have determined that it is the right time for our Company to apply for a U.S. Nasdaq listing."

The Company's Board of Directors determined that the consolidation will be done on the basis of one new common share for every 20 currently outstanding common shares. The consolidation was approved by the Company's shareholders at an annual and special held on November 6, 2018, with 95.48% votes in favor, and is being implemented in connection with the Company's proposed listing of its common shares on Nasdaq. It is anticipated that trading in the post-consolidation common shares will commence through the facilities of the TSX Venture Exchange and over-the-counter on the OTCQB marketplace on or about November 15, 2018. Following the completion of the share consolidation, the Company will have approximately 7,856,875 common shares issued and outstanding.

The new CUSIP and ISIN numbers for the consolidated common shares are 25253X207 and CA25253X2077, respectively. Shareholders who hold their common shares through a broker or dealer, bank or trust company, will not be required to take any action with respect to the share consolidation. Letters of transmittal will be mailed to registered shareholders requesting that they send their pre-consolidation share certificates to the Company's transfer agent, Computershare Trust Company, for exchange for new share certificates representing their common shares on a post-consolidation basis. No fractional shares will be issued in connection with the consolidation. Instead, the Company will round to the nearest whole number the amount of shares shareholders would be entitled to receive in connection with the consolidation.

As a result of the share consolidation, the number, exchange basis and exercise price of all outstanding stock options and warrants, as well as shares available under the Company's

equity plans, will be adjusted proportionately. The actual adjustment will be made by the Company in consultation with its advisors.

About DM199

DM199 is a recombinant (synthetic) form of the human protein known as “KLK1”. The KLK1 protein 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 prostacyclin. KLK1 deficiency may play a role in multiple vascular and fibrotic diseases such as ischemic stroke, chronic kidney disease, retinopathy, vascular dementia and treatment resistant hypertension where current treatment options are limited or ineffective. DiaMedica is the first company to have developed 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 Korea for decades. DM199 is currently being studied in patients with acute ischemic stroke and DiaMedica is preparing to initiate a clinical study in patients with chronic kidney disease.

About DiaMedica Therapeutics Inc.

DiaMedica Therapeutics is a clinical stage biopharmaceutical company focused on developing novel treatments for neurological and kidney diseases. For more information, please visit www.diamedica.com. Follow us on social media – [Twitter](#), [LinkedIn](#).

Disclaimer for Forward-Looking Information

This press release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company’s current expectations. When used in this press release, the words "estimate", "believe", "anticipate", "intend", "expect", "plan", "will," "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release includes information relating to the consolidation of the Company’s common shares, the date that such consolidated common shares will commence trading and the Company’s proposed listing on The Nasdaq Capital Market. Such statements and information reflect the current view of the Company. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our 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.

These risks and uncertainties include the timing and effect of the share consolidation and the proposed listing of the Company’s common shares on The Nasdaq Capital Market.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY 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 THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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 this press release.

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