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DiaMedica Establishes Neurological Scientific Advisory Board With Several Distinguished Experts

MINNEAPOLIS, MINNESOTA -- (Marketwired) -- 10/12/16 -- DiaMedica Inc. (the "**Company**") (TSX VENTURE:DMA)(OTCQB:DMCAF) today announced the establishment of a Scientific Advisory Board ("SAB") of distinguished scientists and physicians. The newly formed SAB will serve as a resource to the Company in the development of DM199 for neurological diseases.

The founding DiaMedica Stroke SAB members are:

Dr. Philip Bath, MD, DSc

Dr. Bath is Stroke Association Professor of Stroke Medicine, and Chair and Head of the Division of Clinical Neuroscience at the University of Nottingham. He is also convener for the Neuroscience@Nottingham and Vascular Research multidisciplinary groups, and National Institute for Health Research (NIHR) Associate Director for Industry and Prevention in the Stroke Research Network. With 339 publications, he was the Stroke Association Keynote Lecturer in March 2015.

Clinically, he contributes to the NUH Stroke Service (in-patient and out-patient stroke care) and Hypertension Clinic. As an NIHR Senior Investigator, his main research interests cover the treatment of acute stroke (blood pressure lowering), prevention of stroke recurrence and cognitive impairment (antiplatelets, blood pressure, and lipid lowering), and enhancement of recovery using stem cells. He uses preclinical studies, clinical trials (phase I to IV), and systematic reviews to help address these questions.

Dr. Bath received his MD from King's College London, University of London and his DSc from the University of Nottingham.

Paolo Madeddu, MD

Dr. Madeddu is Chair of Experimental Cardiovascular Medicine and Head of the Section of Regenerative Medicine, School of Medicine at the University of Bristol. With 250 peer-reviewed publications in PubMed, he is a worldwide expert in regenerative cardiovascular medicine with significant research interest in the role of kallikrein-kinin system in angiogenesis and vascular biology. He serves as Chief Editor of *Frontiers in Cardiovascular Science (Regenerative Medicine)* and is Associate Editor at *Circulation Research*, *ATVB*, and *Scientific Reports*.

Dr. Madeddu received his MD from the University of Sassari.

John Volpi, MD

Dr. Volpi is the Co-Director of the Eddy Scurlock Stroke Center at Houston Methodist and Associate Professor of Clinical Neurology at the Institute for Academic Medicine. His research interests are in the management and prevention of ischemic stroke, and the critical care of patients with neurological illnesses such as intracerebral hemorrhage, epilepsy, and nervous system infections. His studies also involve the use of ultrasound in the evaluation of blood flow to the brain and development of novel therapies for improving patient outcomes in stroke.

Dr. Volpi received his MD from Baylor College of Medicine

"The new members of our scientific team, all leaders in their respective fields, share with DiaMedica the common goal of rapidly bringing new treatment options to patients in need," said Dr. Todd Verdoorn, Chief Scientific Officer of DiaMedia. "Each brings invaluable experience to the team as we make decisions on where to expand and hone our research and clinical programs."

The SAB members will also offer their expertise and feedback to support DiaMedica's pre-clinical and clinical programs, which include DM199 treatment for acute ischemic stroke and related diseases.

About DiaMedica

DiaMedica is a publicly traded clinical stage biopharmaceutical company focused on developing novel treatments for vascular diseases, including stroke and metabolic and kidney dysfunction. DiaMedica's common 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. 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). 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.

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