

## FOGCHAIN ANNOUNCES DEFINITIVE AGREEMENT FOR THE ACQUISITION OF AVISA PHARMA INC.

VANCOUVER, BC, and SAN CARLOS, CA – February 2, 2021 – FogChain Corp. (CSE: FOG.X) (OTCB: FOGCF) (FRA: MUU3) (the “**Company**” or “**FogChain**”) is pleased to announce, further to its news release dated January 13, 2021, the Company has entered into a merger agreement and plan of reorganization (the “**Definitive Agreement**”) with Avisia Pharma Inc. (“**Avisia**”) and FogChain USA Inc., a wholly-owned subsidiary of FogChain, dated February 1, 2021, in respect of a statutory merger under the Delaware General Corporation Law pursuant to which the Company has agreed to acquire all of the issued and outstanding shares in the capital of Avisia (the “**Avisia Shares**”), a privately held Delaware company, in exchange for the issuance of approximately 33,263,123 common shares and 14,825,786 restricted voting shares in the capital of the Company (the “**FogChain Shares**”) on a post-Consolidation (as defined herein) basis, subject to the conditions set out in the Definitive Agreement (the “**Transaction**”).

Established in 2010, Avisia is a private medical device company with its head office in Santa Fe, New Mexico and incorporated under the laws of the State of Delaware. Avisia has developed a quantitative, point-of-care diagnostic breath test known as the Avisia BreathTest (“**ABT**”) for rapidly detecting bacterial pneumonia and pulmonary infections in approximately 10 minutes. The ABT has the potential to be a more accessible, faster and cost-effective detection method than presently used in the healthcare sector. The ABT is a validated clinical stage test with existing technology. Avisia currently has an intellectual property portfolio of 11 patents issued and registered and 3 patents pending. Avisia has raised approximately US\$16 million to date.

The completion of the Transaction is subject to the approval of the Canadian Securities Exchange (the “**CSE**”). Subject to the fulfillment of the conditions precedent set out in the Definitive Agreement, including receipt of approval from the CSE and shareholders of the Company, the Transaction is expected to close in the first quarter of 2021, or otherwise as the Company and Avisia may agree.

Upon successful completion of the Transaction, the resulting company (the “**Resulting Issuer**”) will continue the business of Avisia and will change its name to “Avisia Diagnostics Inc.” or such other name as is agreed to by Avisia and the Company and acceptable to the CSE upon closing of the Transaction (the “**Closing**”).

### **The Transaction**

The Definitive Agreement contains a number of conditions precedent to Closing, including but not limited to (i) the completion of a concurrent financing; (ii) the approval by the directors and shareholders (if required) of FogChain and Avisia; and (iii) the receipt of all requisite regulatory, stock exchange, or governmental authorizations and consents, including the CSE.

### *The Consolidation*

Immediately prior to the completion of the Transaction, it is a condition that the Company consolidate its issued and outstanding share capital on the basis of fifteen (15) pre-consolidation FogChain Shares for one (1) post-consolidation FogChain Share (the “**Consolidation**”). The FogChain Shares to be issued to Avisia in connection with the Transaction will be issued on a post-Consolidation basis.

The FogChain Shares issued in connection with the Transaction may be subject to escrow conditions and/or resale restrictions as required by applicable securities laws and the policies of the CSE.

### *Board of Directors and Management*

Effective on the Closing of the Transaction, it is anticipated that the current members of the Board of Directors of the Company (the "**Board**") and the current management of the Company will resign. With respect to the Board, the current members will upon Closing of the Transaction be replaced by nominees to the Board appointed by Avisia and the existing management team of Avisia will replace the current management of the Company. The management and Board of Directors of the Resulting Issuer will include the persons identified below:

#### **David S. Joseph – President, CEO, Co-Founder and Director – Santa Fe, NM**

Mr. Joseph is a Co-Founder of Avisia and has 40 years of healthcare and life science management experience. Mr. Joseph has been the co-founder and CEO of five companies (including Avisia) in medical technology, biomaterials and biopharmaceuticals. Mr. Joseph served as Chairman and CEO of Othervita Pharmaceuticals (2003-2010) and co-founder of Orthovita Inc, a company where he also served as President and CEO (1999-2002). Stryker Corporation (NYSE:SYK) acquired Orthovita in 2012 for US\$350 million. Prior to Orthovita, Mr. Joseph co-founded two medical device companies: Surgical Laser Technologies, Inc., which went public in 1989 and was acquired in 1992 by Photo Medix, and SITE Microsurgical Systems, which was acquired by Johnson & Johnson Corporation (NYSE:JNJ) in 1983. He also has over 15 years of executive healthcare management experience. Mr. Joseph received the Greater Philadelphia Venture Group's Raymond Rafferty Entrepreneurial Excellence Award in May 2005 for having founded four successful venture-backed companies and for his influence on the ophthalmic and medical technology industries.

Mr. Joseph's past and present board appointments include two successful acquisitions: Animas Corporation, a diabetes insulin pump technology acquired by Johnson & Johnson for approximately US\$515 million in 2006; and Morphotek Inc., a privately held biotechnology company acquired by Eisai Pharmaceuticals for approximately US\$325 million in 2007. Mr. Joseph is currently a director of Allevi Inc, a 3D Bioprinting company. Past directorships include: Aspire Bariatrics Inc., an obesity technology company; Seamless Medical Systems, a patient engagement and media company; HTH Worldwide, a privately held internet travel health insurance and information company; TLC Vision, a leader in Lasik surgery centers; Managed Healthcare Services, Inc.; The Jackson Laboratory Board of Governing Trustees; and King's College Board of Directors. Mr. Joseph holds an MBA in Healthcare Administration degree from Xavier University.

#### **Matthew Culler – Vice President, Finance - San Diego, CA**

Prior to joining Avisia, Mr. Culler was Vice President, Finance & Operations at xF Technologies, a venture-backed renewable chemistry start-up. Before his work at xF Technologies, Mr. Culler was a Principal at Sun Mountain Capital, one of the largest venture capital firms headquartered in the Southwest United States. Prior to Sun Mountain Capital, Mr. Culler participated in financings totaling over \$2 billion as a Senior Analyst in the Private Equity Placements Group of Bank of America's investment banking business in New York City. Matt has a BBA in Finance with honors from the University of Texas at Austin.

#### **Brian Birk – Director - Santa Fe, NM**

Mr. Birk is currently Managing Partner at Sun Mountain Capital and has over 20 years of experience as an operating executive and investor. Mr. Birk co-founded Sun Mountain Capital in 2006, a private equity firm focused on the Southwest and Rocky Mountain regions in the USA. Since that time Sun Mountain has grown to be one of the largest private equity firms in the region, and currently manages direct investment

funds and fund of funds vehicles. Prior to forming Sun Mountain Capital, Mr. Birk was a Vice President and Director of Private Equity at Fort Washington Capital Partners where he helped the firm establish and manage a number of private equity direct investment funds, secondary investment funds, and fund of funds programs. Mr. Birk also has previous experience at Boston Consulting Group, General Electric and GE Capital. Mr. Birk has a Master of Business Administration degree from the Kellogg School of Management at Northwestern University.

**William Miller – Director - Santa Fe, NM**

Mr. Miller is President of Miller Strategic Consulting, LLC, a consulting practice that invests in and actively participates in the management and development of start-up companies. He has co-founded some fifteen start-up companies, including Technicare Corporation where he served as Executive VP, CFO and Board Member, as well as Hitachi Medical Systems of America where he was both on the Board of Directors and the Executive Steering Committee. He is currently a member of the board of InLight Solutions and Lumidigm Inc. in addition to SITE Santa Fe, Wasatch New Mexico Fund, Avalon Trust Company and the Santa Fe Art Institute. Mr. Miller received a BA in Philosophy from Ohio Wesleyan University and an MBA in Finance from the Booth School of Business at the University of Chicago, where he also serves on the school's Entrepreneurial Advisory Board.

Further details and biographies of anticipated directors and management of the Company upon Closing of the Transaction to be provided in the Company's Listing Statement to be filed with the CSE.

**Disclosure and Caution**

Additional information in respect of the Transaction will be included in the Company's listing statement to be filed with the CSE in connection with the Transaction and which will be available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

**About Avisia**

Established in 2010 and based in Santa Fe, New Mexico, Avisia Pharma Inc. is a clinical stage medical device company that is developing a drug/device novel biomarker technology platform that enables rapid point-of-care detection of virulent bacterial pathogens. The Avisia BreathTest is a quantitative diagnostic breath test for rapidly detecting bacterial pneumonia and pulmonary infections within 10 minutes after the patient inhales or ingests its proprietary drug substrates. The Avisia breath biomarker technology detects bacterial rapidly providing clinicians a tool to reduce ventilator-associated pneumonia in ventilated patients and allows quantitative monitoring of antibiotic therapies to reduce the overuse of broad-spectrum antibiotics; mitigates exacerbations of patients diagnosed post-COVID-19 respiratory bacterial infections; mitigates exacerbations of patients with chronic obstructive pulmonary disease and cystic fibrosis; and allows active tuberculosis diagnoses and monitoring of treatment compliance.

Avisia has sponsored investigator lead pilot clinical trials in cystic fibrosis, tuberculosis and community acquired pneumonia with positive safety and clinical efficacy results and is planning a pivotal trial in 2022 for FDA approval. Avisia has 11 patents issued and 2 patents pending. Avisia is led by an experienced management team with a proven life science track record and has raised approximately US\$16 million to date.

The principal equity shareholders of Avisia are (a) NMSIC Focused LLC which owns approximately 15.9% and (b) Milagro Group LLC which owns approximately 7.4%.

Disclosure of certain financial information concerning Avisia and the Resulting Issuer will be available in the disclosure document prepared by FogChain and Avisia in connection with the Transaction.

Learn more at [www.AvisiaPharma.com](http://www.AvisiaPharma.com)

### **About FogChain Corp.**

FogChain was previously seeking to be an end-to-end software development life cycle (SDLC) and quality assurance solutions provider, but the Company's business is now limited to identifying and evaluating assets or businesses for an acquisition.

Learn more at [www.FogChainInc.com](http://www.FogChainInc.com)

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### **Forward-Looking Information**

*This press release contains forward-looking statements. Forward-looking statements can be identified by the use of words such as, "anticipates", "expects", "is expected", "intends", "believes", or variations of such words and phrases or state that certain actions, events or results "may" or "will" be taken, occur or be achieved. Forward-looking statements include those relating to the acquisition by FogChain of all of the outstanding Avisia Shares and the corresponding issuance of FogChain Shares, the anticipated Consolidation, the satisfaction of necessary terms and conditions of the Definitive Agreement to complete the Transaction, including: completion of a concurrent financing, the receipt of necessary approvals from the Board of Directors and shareholders of each respective company, the CSE and any other third party or regulatory approvals required, expectations relating to the timing of Closing, and the composition of the Resulting Issuer's management and Board of Directors. Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, including assumptions related to the ability of both companies to successfully complete all the conditions precedent under the Definitive Agreement and the companies receiving all necessary future approvals and permits. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking statements in this press release, and, accordingly, undue reliance should not be placed on any such forward-looking statements and they are not guarantees of future results. Forward-looking statements involve significant risks, assumptions, uncertainties and other factors that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward-looking statements. Except as required by law, FogChain undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.*

*The CSE nor its market regulator does not accept responsibility for the adequacy or accuracy of this news release. The CSE has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release.*