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SolAeroMed Newsletter #9 March 21, 2014

Dear SAMi shareholders

I write to update you on important announcements and evolving success at SolAeroMed.

Clinical Development: We have started our first in human Phase I trial of our asthma drug S1226. The first sentinel subjects of cohort 1 were dosed at our Toronto based CRO this morning and all are reportedly doing well. Dosing remaining subjects in this 1st cohort (4%CO₂) will be completed over the weekend. Pending no adverse severe reactions, dosing of cohorts 2 (8%) & 3 (12%) will follow at the discretion of the safety committee. Our Phase I trial will dose a total 36 healthy subjects, 12 in each cohort. We anticipate completion of the Phase I by mid-May. Our Phase I trial results will be compiled and submitted to Health Canada for regulatory review and approval before we can progress further.

A successful Phase I trial will demonstrate no significant adverse reactions, and should result in Health Canada approval to advance SolAeroMed S1226 human experimentation to Phase IIa trial in asthmatic patients. We anticipate starting our Phase IIa later this year at the Calgary Foothills Hospital through support from SolAeroMed's clinical lead, Prof Richard Leigh.

The many scientific and regulatory hurdles SolAeroMed has achieved in pre-clinical research and regulatory approval to begin our Phase I constitutes a major milestone in any biotech's development. Our SolAeroMed team has worked long and hard internally and externally with our partners and we are all immensely relieved at our successful start of our Phase I S1226 clinical trial.

Finances: SolAeroMed retains adequate financial resources to support our core Phase I (Q2 2014) and Phase IIa (anticipated Q3/4 2014) clinical development for S1226. We are able to expand patent development thanks to new USA investment early in the year, as well being able to fund core operations supporting both S1226 & S1229. We continue modest financial operational burn that allows us to efficiently focus available resources on clinical and scientific work. SolAeroMed management continues to work for equity so as not to deplete finances.

We continually apply for relevant grant funding. We can announce today that

SolAeroMed was successful in obtaining \$228,000 new grant funding through the Industrial Research Assistance Program. These funds were recently made available March 15th, and are ring-fenced to support SolAeroMed S1226 expanding R&D clinical development program.

Though SolAeroMed retains adequate financial runway to support core work, we do seek additional investment capital to better secure expansion of new patents, R&D, and operational needs. Further investment from existing and new shareholders is sought. For the time being our share price remains \$4.25¹.

Board and Management: Our Board remains actively engaged in directing SolAeroMed management in business strategy, device and patent development. Our management team is efficiently managing our clinical trials, background R&D, and expanding our patent portfolio.

SolAeroMed is evolving more responsible financial management through Gareth Lewis, our new CFO, and we will update shareholders at our AGM later this year. Prof Francis Green, founder & CSO, continues to provide clinical and scientific management, with support from Morenike Fadayomi. Dr John Dennis, CEO, continues to provide overall company co-ordination and management along with drug & device development, with increasing support from Dr Cora Pieron. Our regulatory consultant Tirtho Uppal, perflubron supplier OriGen Inc, and Phase I CRO PharmaMedica are proving knowledgeable partners in supporting SolAeroMed development.

We will continue to update shareholders with these occasional newsletters as well as through www.solaeromed.com. SolAeroMed remains a small private biotech company, and I invite any shareholder with concerns, questions, or interest in investment to contact me directly by email or phone.

On behalf of SolAeroMed, I thank our shareholders for providing financial cash resources to propel our development thus far. You, our shareholders, along with the SolAeroMed team made this possible. SolAeroMed is no longer a pre-clinical biotech, and today's start of our Phase I Clinical trial defines a major milestone in our development.

Sincerely

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¹ \$4.25 share price will be held constant until completion of our Phase I. Interested investors should contact John Dennis directly.