



SolAeroMed Inc.
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Newsletter #2
May 28, 2012

Dear SolAeroMed shareholders,

On behalf of our SolAeroMed team, I hope this update finds you healthy and interested in learning how your investment in our company is developing. We endeavor to keep you informed of developments through our website at www.solaeromed.com and through these periodic newsletters.

SolAeroMed plans to have its 1st Annual General Meeting on June 27th (2-4pm) at our Calgary office, 3535 Research Rd NW. We will present our new management board, share financials, summarize our work to date, outline future plans and answer any questions you may have. We remain a small company and anticipate that this meeting will be informal yet informative.

For the 1st half of 2012 we can generally report:

- Continued clinical development of our asthma drug, which we have now formally named S-1226:
 - Secured sources of drug materials to use in clinical development
 - Developed methods to characterize nebulized S-1226
 - Secured laboratory facilities and expanded offices located at the University's Research Transition Facility
 - Submitted a pre-Clinical Trial Application to Health Canada and will meet at Health Canada Ottawa offices on June 4, 2012. The purpose of this meeting is to better anticipate requirements for pre-clinical toxicology work and refine our plans and timing for a Phase I clinical trial.
- Addition of Dr Andy Clark to our board – Andy is an experienced pharmaceutical executive and drug inhalation scientist with an international reputation.
- Continue to progress potential funding and partnerships with 3rd parties.

- Successfully reported and closed Industrial Research Assistance Program (IRAP) funding grant for the past year (April 1, 2011 – March 31, 2012) and have submitted new IRAP grant applications for the coming year to support SolAeroMed staff and 3rd party consultants.
- Continue to pursue non-dilutive funding opportunities and including application for AIHS (Alberta), MRC (Australia) and other grants.
- Presented SAMi related work by Dr Tamer El-Mays in an international PFC conference in Paris (May 2-4, 2012), and Dr Francis Green at the American Thoracic Society meeting in San Francisco (May 18-23, 2012).
- Acquired additional IP on airway surfactant developed by Dr. Mathias Amrein (University of Calgary, Faculty of Medicine).
- Continue research using animal models of asthma to further investigate the mechanism of action of S-1226.
- Established a SolAeroMed scientific advisory committee.
- Updated our website format and content to better present SAMi to potential partners and investors.
- Continue to disseminate the potential of our drug technology to potential pharmaceutical partners

On June 27th SolAeroMed will hold our first Annual General Meeting at our offices in Calgary and will be formally circulating an agenda and invite to all shareholders.

Sincerely

Dr John Dennis

CEO, SolAeroMed Inc