

CSE Symbol: IME
OTC PINK Symbol: IMEXF
Frankfurt/Stuttgart Stock Exchanges: DPD2

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IMAGIN MEDICAL CLOSES TRANCHE I OF PRIVATE PLACEMENT FOR \$385,800

Imagin Medical is the developer of the ultrasensitive i/Blue Imaging System that will establish a new standard of care for urologists in the early detection of bladder cancer through endoscopes.

Vancouver, B.C. and Boston, MA, October 20, 2016 – Imagin Medical (CSE: IME) (OTC PINK: IMEXF) (Frankfurt/Stuttgart Stock Exchanges: DPD2) (the “Company”) announced today that, further to its September 13, 2016 press release, it has closed Tranche I of a non-brokered private placement through the issuance of 4,822,500 units (the “Units”) at a price of Cdn \$0.08 per Units for gross proceeds of Cdn \$385,800 (the “Offering”). The Company intends to close the remainder of this financing within the next two weeks.

Each Unit consists of one common share of the Company and one warrant (“Warrant”), each Warrant entitling the holder thereof to acquire one additional common share of the Company at a price of \$0.12 in the first 12 months and \$0.16 in the 12 months thereafter.

“This fundraising demonstrates the confidence our investors have in the value of the Company’s technology and management’s ability to deliver it to the marketplace.” commented Jim Hutchens, Imagin’s President and CEO. “It allows us to focus our resources on development and preparation for the clinical trials.”

The Company intends to use the proceeds from the Offering for advancing the development of the i/Blue Imaging System for the early detection of cancer through the use of endoscopes and for general working capital.

Finders’ fees in the form of 288,800 warrants and cash payments of \$23,104 were paid for a portion of the financing attributable to certain finders’ efforts.

All shares issued in connection with the Offering will be subject to a hold period of four months plus a day from the date of issuance and the resale requirements of applicable securities regulations

About Imagin Medical

Imagin Medical is developing imaging solutions for the early detection of cancer through the use of endoscopes. The Company believes it will radically improve the way physicians detect cancer. Imagin's initial target market is bladder cancer, a major cancer worldwide, the sixth most prevalent in the U.S., and the most costly cancer to treat due to a greater than 50% recurrence rate. Developed at the Lawrence Livermore National Laboratory, this advanced, ultrasensitive imaging technology is based upon improved optical designs and advanced light sensors. Learn more at www.imaqinmedical.com.

ON BEHALF OF THE BOARD:

*Jim Hutchens,
President & CEO*

For further information, contact:

Bill Galine, Investor Relations
Telephone: (775) 737-3292
Email: billgaline@gmail.com

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This news release contains forward-looking statements relating to product development, licensing, commercialization and regulatory compliance issues and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the failure to satisfy the conditions of the Canadian Securities Exchange and other risks detailed from time to time in the filings made by the Company with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.