

FOR IMMEDIATE RELEASE

CSA Medical Secures \$23 Million to Advance its Cryospray™ Therapies for Esophageal Disease and COPD

- Financing to Support Expansion of CSA’s truFreeze® Spray Cryotherapy Business for Esophageal Disease and Launch of the Reo Radial Catheter in 2019 for Barrett’s Esophagus
- Also Supports CE Mark and Pivotal Clinical Study Launch for RejuvenAir® Spray Cryotherapy System for COPD in 2019

Boston, MA – October 8, 2018 - CSA Medical Inc. announced that it has secured \$23 million in venture debt and equity financing to advance its two novel cryospray therapy platforms, truFreeze and Rejuvenair. Horizon Technology Finance (Horizon) provided the \$15 million venture loan facility along with \$8 Million in equity investment sourced from existing CSA shareholders.

“Thanks to the support of our existing investors and new partner Horizon, we will continue to expand the market for truFreeze to treat the full spectrum of esophageal diseases including cancer and we will continue to advance Rejuvenair to improve quality of life for COPD patients,” said Vincent P. Owens, Executive Chairman of CSA Medical.

An initial \$11 million was funded, including \$6 million from Horizon Technology Finance, under the \$15 million venture loan facility, and \$5 million of \$8 million in commitments from CSA shareholders including SV Health Investors, Ascension Ventures, and Intersouth Partners. The company will use the financing proceeds to fuel growth and expansion of its commercial truFreeze product line in the gastrointestinal (GI) market and to advance its COPD therapy, Rejuvenair, toward major clinical and regulatory approval milestones.

“This growth capital comes at an exciting moment in CSA’s corporate evolution as the growing body of evidence and patient success stories underscore truFreeze’s critical role in treating a wide range of esophageal disorders,” said Wendelin Maners, CSA’s President, truFreeze Business. “We are committed to supporting clinical and commercial programs that will dramatically expand the use of truFreeze in the GI market. An important element in achieving this mission will be the launch of truFreeze REO, our next generation circumferential spray cryotherapy catheter for Barrett’s Esophagus that aims to shorten procedure times for physicians and be a less painful ablative option than alternative modalities for patients.”

About CSA Medical and truFreeze®

CSA Medical, Inc. develops and manufactures proprietary interventional spray cryotherapy technology platforms utilizing unique properties of liquid nitrogen spray delivered by a software driven device with specialty catheters that enable delivery of spray cryogen inside the body to flash

freeze and destroy unwanted tissue allowing for a rejuvenative pattern of healing. CSA manufactures and distributes this technology in the USA as the truFreeze® system which is currently being utilized in over 100 leading hospitals and universities advancing therapy for patients affected by conditions such as Barrett's esophagus, esophageal cancer, and airway obstructions.

About RejuvenAir®

CSA Medical's RejuvenAir® Metered Cryospray™ System is designed to spray liquid nitrogen at 196° C in a circumferential pattern within the airway. It is anticipated that the rapid freezing of the epithelial layer of the airway walls will destroy the mucus-producing goblet cells while preserving the extracellular matrix, thereby enabling the regrowth of healthy cells. As reported recently at the European Respiratory Society Congress (ERS) in Paris, RejuvenAir® therapy demonstrated strong safety and tolerability profile during the study with minimal procedure related adverse events and serious adverse events. Patients were able to be discharged from outpatient bronchoscopy suite on day of treatment. The RejuvenAir® System is currently under clinical investigation and is not commercially available.

About Horizon Technology Finance

Horizon Technology Finance Corporation is a leading specialty finance company that provides capital in the form of secured loans to venture capital backed companies in the technology, life science, healthcare information and services, and cleantech industries. The investment objective of Horizon is to maximize its investment portfolio's return by generating current income from the debt investments it makes and capital appreciation from the warrants it receives when making such debt investments. Headquartered in Farmington, Connecticut, Horizon has regional offices in Pleasanton, California, Reston, Virginia and Boston, Massachusetts. Horizon's common stock trades on the NASDAQ Global Select Market under the ticker symbol "HRZN". To learn more, please visit www.horizontechfinance.com.

To learn more about CSA Medical's technology, please visit www.csamedical.com.

###

For further information contact:

Erich Sandoval

+1 917-497-2867

esandoval@lazarpartners.com

