

September 16, 2021

Dear Hydromer Shareholder,

On behalf of the Management and Board of Directors of Hydromer, Inc. (the “Company” or “Hydromer”), I am writing to provide you another update on additional progress we have made addressing the issue related to the potential limitations on trading the Company’s securities as a result of amendments adopted by the Securities and Exchange Commission (SEC) to its Rule 15c2-11 (“Rule 15c-211”) of the Securities Exchange Act of 1934 (the “Exchange Act”), scheduled to take effect later this month on September 28, 2021.



As you may be aware of, the existing Rule 15c2-11 (“Rule 15c-211”) governs the disclosure obligations of market professionals with respect to “Over-the-Counter” (OTC) securities that trade in exchanges of smaller size and scope, including the Pink OTC Markets, accordingly, it impacts thousands of companies, including Hydromer. The amended Rule will require market professionals to obtain and review companies’ current financial information, publicly available online with filings through the OTC Markets Group platforms.

To comply with the new Rule and as of the date of this letter, we have successfully filed with the OTC Markets Group all the information disclosure obligations that we understood per the OTC disclosure guidelines, were required in Rule 15c2-11 and were essential to facilitate the unrestricted trading of the Company’s securities in the Pink OTC Markets. Our filing was comprised of financial information, and additional documentation and disclosures. As a precautionary measure and to ensure completeness of the information, we reached out

to the experts at the OTC Markets Group and confirmed the content of our package prior to filing.

While at this moment we could not assure the OTC's completion of their review of our filing by the September 28th deadline, we are happy to report that they have acknowledged our filing met the information disclosure obligations per the OTC disclosure guidelines. Nonetheless, we continue our periodic interaction with them until the review process is finalized and we receive full and final confirmation of meeting the requirements of the amended SEC Rule and complying with the OTC disclosure guidelines.

We are also pleased to report that as of the date of this letter, the Company's profile on the OTC Marketplace platform no longer shows a "Stop" sign and it shows the Company was granted the designation of "Limited Information" tier in the Pink Market which is an upgrade from the previous designation of "No Information" tier. This represents an important accomplishment, as the OTC disclosure guidelines require companies to have the designation of "Limited Information" or "Current Information" tier for securities to be publicly quoted in the OTC Marketplace. As we continue to reach promising milestones, we will also be notifying several of the leading stock brokerage firms of our disclosure activities with the OTC Markets.

I continue to encourage you to regularly visit us at www.hydromer.com/investor-relations to keep abreast of the latest developments in this regard, as we constantly share relevant information with our customers and shareholders through our online presence.

Sincerely,

A handwritten signature in black ink, appearing to read "P. von Dyck", is placed below the word "Sincerely,".

Peter M. von Dyck, CEO – Hydromer, Inc.