MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEAR ENDED AUGUST 31, 2019

The following comments are intended to provide a review and analysis of the results of operations, financial condition and cash flows of Opsens Inc. for the fourth quarter and year ended August 31, 2019 in comparison with the corresponding period ended August 31, 2018. In this Management's Discussion and Analysis (MD&A), Opsens, "the Company", "we", "us" and "our" mean Opsens Inc. and its subsidiary. This MD&A should be read and interpreted in conjunction with the information contained in our annual consolidated financial statements for the years ended August 31, 2019 and 2018, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. This document was prepared on November 13, 2019. All amounts are in Canadian dollars unless otherwise indicated.

This MD&A contains forward-looking statements with respect to the Company. These forward-looking statements, by their nature, require the Company to make certain assumptions and necessarily involve known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Forward-looking statements are not guarantees of performance. These forward-looking statements, including financial outlooks, may involve, but are not limited to, comments with respect to the Company's business or financial objectives, its strategies or future actions, its targets, expectations for financial condition or outlook for operations and future contingent payments. Words such as "may", "will", "would", "could", "expect", "believe", "plan", "anticipate", "intend", "estimate", "continue", or the negative or comparable terminology, as well as terms usually used in the future and conditional, are intended to identify forward-looking statements.

Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances. The Company considers these assumptions to be reasonable based on all currently available information, but cautions the reader that these assumptions regarding future events, many of which are beyond its control, may ultimately prove to be incorrect since they are subject to risks and uncertainties that affect the Company and its business. The forward-looking information set forth therein reflects the Company's expectations as of November 13, 2019 and is subject to change after this date. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law.

OVERVIEW

The Company's primary focus is on physiological measurement such as Fractional Flow Reserve (FFR) and dPR in the interventional cardiology market. This measurement is mainly used for the diagnosis of blockages in the coronary arteries and has potential to extend to other physiological measurement. Opsens offers an optical guidewire (OptoWire) to measure pressure to diagnose and improve clinical outcomes in patients with coronary heart disease. Opsens also operates in the industrial sector through its wholly-owned subsidiary Opsens Solutions Inc. (Solutions). Solutions develops, manufactures and installs innovative measurement solutions using fiber optic sensors for critical and demanding industrial applications.

Opsens owns ten patents and has nine patents pending to protect technologies in its medical and industrial sectors.

SECTORS OF ACTIVITY

In the medical field, Opsens markets the OptoWire and the OptoMonitor for interventional cardiology to provide cardiologists with an optimized pressure guidewire to navigate coronary arteries and cross blockages with ease while measuring intracoronary blood pressure. This procedure is called FFR measurement also referred to as physiological measurement.

Opsens has obtained the required commercial approvals for the OptoWire and OptoMonitor in the world's largest markets, namely the United States, Europe, Japan and Canada. Furthermore, Opsens developed a product that allows physicians to diagnose the coronary-artery blockages at rest. This new product, known as dPR, is Opsens' resting pressure measurement method. It is available through the OptoMonitor and works in combination with the OptoWire. Opsens' dPR is already being marketed in Japan, Canada and Europe.

Opsens has established a direct sales force in the U.S. and Canada and utilizes distributors in Europe (including the Middle East) and Japan.

Opsens also provides a broad selection of miniature optical sensors to measure pressure and temperature that can be used in a wide range of applications and can be integrated into other medical devices.

In the industrial sector, Opsens' expertise, technology and products meet the needs of multiple markets, including aerospace, semiconductor, geotechnical, structural, oil and gas, mining, laboratories and others. Opsens' portfolio of products and technologies can be adapted to measure various parameters under the most difficult conditions and bring significant benefits in terms of optimizing production and reducing risks to the environment and health.

MARKET OVERVIEW

In the medical field, particularly in interventional cardiology, FFR and dPR represent a significant and growing opportunity for the Company. In recent years, the prevalence of coronary heart disease has increased rapidly. In the AHA report, "Heart Disease and Stroke Statistics - 2017", which is based on health data compiled in more than 190 countries, coronary heart disease is the leading cause of death worldwide with 17.3 million deaths per year. This number is expected to exceed 23.6 million deaths in 2030. Coronary heart disease is one of the leading causes of death in the developed world, and the cost of managing and treating these diseases is a significant burden to society. The benefits of FFR were demonstrated in various clinical studies such as FAME I and FAME II published in 2009 and 2012, respectively in the New England Journal of Medicine. The FAME I study showed that the FFR-guided treatment rather than the standard angiography alone led to a reduction in mortality, myocardial infarction, readmission for percutaneous coronary intervention and coronary bypass by about 30% after a year. Several reports have also shown inaccurate diagnoses that can lead to misuse or inappropriate use of "stents."

The measurement of FFR has been shown to be more accurate and now holds the highest recommendation from the European Society of Cardiology (Class IA).

In the United States, support for the increasing use of FFR continues to grow. In March 2017, the appropriate use criteria ("AUC") for stable ischemic heart disease were updated to emphasize the use of FFR given its importance. The goal of the AUC is to provide a framework for assessing general clinical practices and improving the quality of care. The new AUCs reflect a recognition of the role and value of FFR, which should be beneficial for the expand use of FFR technologies. Payers, including Medicare, use the AUC to help formulate their repayment criteria.

In April 2018, the Ministry of Health, Labour and Welfare (MHLW) in Japan introduced a new regulation requiring the physiology evaluation of all coronary artery stenosis prior to its treatment, specifically mentioning FFR as an evaluation method. The MHLW revised the medical fees and established a requirement to assess functional ischemia (blockage of arteries) prior to treatment.

These recent developments contribute to the steady growth of the FFR market. According to management and industry sources estimates [1], this market exceeds US$500 million worldwide in 2019 and is expected to exceed US$1 billion annually in the medium term (2025).

(1) Opsens FFR Market Calculations based on GRAND VIEW RESEARCH (Feb 2019),

In the industrial field, the Company focuses mainly on the following markets:

- Pressure Monitoring Solutions Market: Opportunities are mainly related to absolute and differential pressure measurements. Pressure measurements are at the heart of many industrial applications in aeronautic, energy, geotechnics and oil and gas. The new industrial versions of the pressure sensor and the latest of a differential pressure sensor are the main flagship products for these applications;
- Traditional Niche Applications Market: Opsens is currently engaged in niche applications such as semiconductor, electro-explosive devices (EEDs), Steam Assisted Gravity Drainage (SAGD) in Western Canada, and in laboratories (special projects and customized products);
- Structural Integrity Monitoring Market: Opportunities are mainly related to stress, load and displacement measures. The applications are in geotechnics, civil engineering, energy and oil and gas. The new industrial versions of strain sensors such as the extensometer and the load cell are the main flagship products for these applications.

COMPETITION

In the medical sector, the FFR and dPR measurement market have five competitors and is currently dominated by two major players who commercialize a first-generation electrical technology. Competition is based on technological advantages, brand recognition, customer service, marketing support and price.

In the industrial sector, there are significant number of competitors in the field. Competition is based primarily on technological advantages. Our direct competition is made up of both open and closed-end companies with a global presence.

CORPORATE GROWTH STRATEGY

Opsens' growth strategy is to become a key player in the medical sector, particularly in the field of interventional cardiology, focusing on the measurement of FFR and dPR, where its products and technologies offer major advantages over the competition. The Company also aims to capitalize on its technologies and products in the industrial markets. To this end, the Company implements its corporate strategy based on its various segments of operations.

In the medical sector, the Company's growth strategy in the field of interventional cardiology is carried out by:

- Increase of its market shares in the fast-growing FFR and dPR market

To achieve this, management has set up the following sales force:

- Direct Sales Force: Opsens has established a sales team, hiring a seasoned staff with solid expertise in interventional cardiology. This sales force has been implemented to increase Opsens' market and commercialization penetration in the United States and Canada;
- Distributor Sales Force: Opsens has signed distribution agreements in Europe, Asia and the Middle East. These agreements allow Opsens to focus on market penetration with leading business partners in their respective markets.

Interventional cardiologists have started focusing on new measurements performed at rest. These measurements require greater accuracy and constant and repeated guidewire performance over time. With its second-generation optical sensor, the Company is convinced that there will be a growing interest in the OptoWire's recognized features which include:

- A low-drift measurement technology for improved reliability of FFR measurements, essential in cardiologists' decision-making;
- Better connectivity as the OptoWire is insensitive to blood contamination. It can be easily reconnected without compromising accuracy of the measurement.

- Clinical Data

The Company is presently conducting a variety of clinical studies to demonstrate the value of Opsens' products.

- Innovation

In this ever-evolving and state-of-the-art market, Opsens plans to leverage its expertise in fiber optic sensing medical devices to create new FFR products and develop new fiber optic sensing technologies for cardiology assessment that address other invasive unmet medical needs. Commitment to innovation has always been a driving force behind the Company's success and desire to improve its intellectual property portfolio and value proposition for customers.

As an example of innovation, the Company is developing a pressure guidewire designed to assist cardiologists during a Trans Aortic Valve Replacement procedure (TAVR). This innovation is a structural heart pressure guidewire that measures critical hemodynamics information in real time during a valve replacement procedure.

In other medical products, Opsens offers a broad selection of miniature optical sensors to measure pressure and temperature that can be used in a wide range of applications and that can be integrated into other medical

(2) Per 60601-2-34

devices. The Company also aims to partner with key players in the industry, such as its partnership with Abiomed inc. (Abiomed), for the use of its miniature sensors and technology.

In the industrial sector, the Company's business strategy is achieved by:

- Development of a sales and distribution network Opsens Solutions has set up a sales and distribution network to increase its visibility in the various markets;

- Target Market Opsens Solutions' target markets are semiconductors, aerospace and laboratories. These are markets where Opsens' products offer unique advantages over its competitors;

- Innovation Opsens Solutions continually invests in innovations of its products, so they can offer unique advantages over its competitors. For example, the Company's optical strain and pressure sensors have received the attention of major players in the aerospace industry because they require no shielding or grounding and because of their ease of deployment.

NON-IFRS FINANCIAL MEASURES - EBITDACO

The Company quarterly reviews net loss and Earnings Before Interest, Taxes, Depreciation, Amortisation, Change in fair value of embedded derivative and Stock-based compensation costs (EBITDACO). EBITDACO has no normalized sense prescribed by IFRS. It is not very probable that this measure is comparable with measures of the same type presented by other issuers. EBITDACO is defined by the Company as the addition of net loss, financial expenses (revenues), depreciation and amortisation, change in fair value of embedded derivative and stock-based compensation costs. The Company uses EBITDACO for the purposes of evaluating its historical and prospective financial performance. This measure also helps the Company to plan and forecast for future periods as well as to make operational and strategic decisions. The Company believes that providing this information to investors, in addition to IFRS measures, allows them to see the Company’s results through the eyes of management, and to better understand its historical and future financial performance.

RECONCILIATION OF EBITDACO TO NET LOSS

(In thousands of Canadian dollars)	Year Ended August 31, 2019	Year Ended August 31, 2018	Year Ended August 31, 2017
	$	$	$
Net loss	(1,952)	(4,550)	(6,537)
Financial expenses (revenues)	157	(50)	(7)
Depreciation of property, plant and equipment	802	801	699
Amortisation of intangible assets	91	98	90
Change in fair value of embedded derivative	-	501	164
EBITDAC	(902)	(3,200)	(5,591)
Stock-based compensation costs	489	618	864
EBITDACO	(413)	(2,582)	(4,727)

The positive variance of EBITDACO for fiscal year 2019 when compared to last year is mainly explained by the increase in revenues in the medical sector. This was partly offset by higher administrative, sales and marketing and research and development expenses as explained further below.

SELECTED CONSOLIDATED FINANCIAL DATA

(In thousands of Canadian dollars, except for information per share)	Year Ended August 31, 2019	Year Ended August 31, 2018	Year Ended August 31, 2017
	$	$	$
Revenues			
Sales			
Medical	27,032	19,991	14,895
Industrial	2,418	2,121	1,483
	29,450	22,112	16,378
Licensing agreement	3,302	1,958	1,374
	32,752	24,070	17,752
Cost of sales	14,037	11,330	10,252
Gross margin	18,715	12,740	7,500
Gross margin percentage	57%	53%	42%
Expenses (revenues)			
Administrative	4,593	3,869	3,774
Sales and marketing	11,116	9,273	6,975
Research and development	4,801	3,697	3,131
Financial expenses (revenues)	157	(50)	(7)
Change in fair value of embedded derivative	-	501	164
	20,667	17,290	14,037
Net loss and comprehensive loss	(1,952)	(4,550)	(6,537)
Basic and diluted net loss per share	(0.02)	(0.05)	(0.08)

Revenues

The Company reported revenues of $32,752,000 for the year ended August 31, 2019 compared to revenues of $24,070,000 for the corresponding period in 2018, an increase of $8,682,000 or 36%.

Sales in the medical sector totalled $27,032,000 for the year ended August 31, 2019 compared to sales of $19,991,000 for the same period in 2018. The increase in medical sector revenues is mainly explained by a higher number of OptoWire shipped when compared to the same period last year. FFR sales totalled $20,031,000 for the year ended August 31, 2019, an increase of $5,782,000 compared to the $14,249,000 reported for the same period last year.

Sales in the industrial sector totalled $2,418,000 for the year ended August 31, 2019 compared to sales of $2,121,000 for the same period in 2018. The increase is mostly explained by higher volume of orders compared to the same period last year.

The increase in revenues is also explained by the recognition of nonrecurring revenues of $3,302,000 for the achievement of the last technical milestones of the Abiomed agreement ($1,958,000 for the year ended August 31, 2018).

For the year ended August 31, 2019 and 2018, pricing fluctuations did not have a significant impact on revenues.

The Company's revenues are generated in U.S. dollars, Canadian dollars, Euros and British pounds; fluctuations in the exchange rate affect revenues and net earnings (loss). For the year ended August 31, 2019, revenues were positively affected by $771,000 compared to the same period last year (sales were positively impacted by $372,000 for the year ended August 31, 2018).

As at August 31, 2019, Opsens' total backlog of orders amounted to $5,642,000 ($5,266,000 as at August 31, 2018).

Gross Margin

Information and analysis in this section do not take into consideration licensing revenues ($3,302,000 for the year ended August 31, 2019 and $1,958,000 for the year ended August 31, 2018, respectively).

Gross margin was $15,413,000 for the year ended August 31, 2019 compared to $10,782,000 for the same period last year. The gross margin percentage increased from 49% for the year ended August 31, 2018 to 52% for the year ended August 31, 2019. The increase in gross margin is mainly explained by higher sales from our FFR medical products line combine with a decrease in our production cost. The increase in gross margin percentage reflects a higher sales volume and the related benefits of scale combined with enhanced productivity.

Administrative Expenses

Administrative expenses were $4,593,000 and $3,869,000, respectively, for the year ended August 31, 2019 and 2018. The increase is mainly explained by higher headcount and by the fact that we reversed a loss allowance related to a client in the industrial sector during the same period last year. This is partly offset by lower professionals' fees.

Sales and Marketing Expenses

Sales and marketing expenses totalled $11,116,000 for the year ended August 31, 2019, an increase of $1,843,000 over the $9,273,000 reported during the same period in 2018. The increase is largely explained by higher commissions, tradeshows and consultants' fees when compared to last year due to the expansion of Opsens' sales presence for its FFR products in the United States and EMEA.

Research and Development Expenses

Research and development expenses totalled 4,801,000 for the year ended August 31, 2019, an increase of $1,104,000 over the $3,697,000 reported during the same period in 2018. The increase is mainly explained by higher headcount and subcontractors fees for our development activities related to the OW3, OM3 and dPR projects.

Financial Expenses (revenues)

Financial expenses totalled $157,000 for the year ended August 31, 2019 compared to financial revenue of $50,000 for the same period in 2018. The increase in financial expenses is mainly explained by a higher long-term debt expense of $171,000 related to the CIBC agreement and by less favorable exchange rate of $53,000. This is partly offset by higher interest revenue of $32,000.

Change in Fair Value of the Embedded Derivative

The change in fair value of embedded derivative comes from the change in fair market value of the conversion option component of the convertible debenture. The convertible debenture contained a cash settlement feature, which under IAS 32, *Financial Instruments: Presentation*, was accounted for as a compound financial instrument with a debt component and a separate embedded derivative representing the conversion option. Both the debt and embedded derivative components of this compound financial instrument were measured at fair value on initial recognition. The debt component was subsequently accounted for at amortised cost using the effective interest rate method. The embedded derivative was subsequently measured at fair value at each reporting date with gains and losses in fair value recognized through profit or loss. During the year ended August 31, 2018, an expense of $501,000 was recorded in the consolidated statements of loss and comprehensive loss. On November 16, 2017 the holder of the debenture exercised its conversion option.

Net Loss

As a result of the foregoing, net loss for the year ended August 31, 2019 was $1,952,000 compared to $4,550,000 for the same period in 2018.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION DATA

(In thousands of Canadian dollars)	**As at August 31, 2019**	**As at August 31, 2018**	**As at August 31, 2017**
	$	**$**	**$**
Current assets	26,099	19,785	23,607
Total assets	30,089	23,586	27,610
Current liabilities	4,787	3,438	7,698
Long-term liabilities	7,861	1,475	1,947
Shareholders' equity	17,441	18,673	17,965

Total assets as at August 31, 2019 were $30,089,000 compared to $23,586,000 as at August 31, 2018. The increase is mainly related to higher cash and cash equivalent of $3,969,000 related to the CIBC Innovation Banking (CIBC) debt financing and by higher trade and other receivables of $2,299,000 following the increase in revenues in the medical sector.

Current liabilities totalled $4,787,000 as at August 31, 2019 compared to $3,438,000 as at August 31, 2018. The increase is mainly explained by higher accounts payables and accrued liabilities of $1,574,000 due to the increase in sales in the medical sector.

Long-term liabilities totalled $7,861,000 as at August 31, 2019 compared to $1,475,000 as at August 31, 2018, an increase of $6,385,000. The increase is mainly explained by a higher long-term debt of $6,481,000 following the disbursement of the CIBC term loan.

SUMMARY OF CONSOLIDATED QUARTERLY RESULTS

The summary below presents the periods in which Opsens published unaudited interim financial statements.

(Unaudited, in thousands of Canadian dollars, except for information per share)	**Three-month period ended August 31, 2019**	**Three-month period ended May 31, 2019**	**Three-month period ended February 28, 2019**	**Three-month period ended November 30, 2018**
	$	**$**	**$**	**$**
Revenues	7,867	7,863	7,919	9,103
Net earnings (loss) for the period	(1,617)	(1,053)	(374)	1,092
Basic and diluted net earnings (loss) per share	(0.02)	(0.01)	(0.00)	0.01

(Unaudited, in thousands of Canadian dollars, except for information per share)	**Three-month period ended August 31, 2018**	**Three-month period ended May 31, 2018**	**Three-month period ended February 28, 2018**	**Three-month period ended November 30, 2017**
	$	**$**	**$**	**$**
Revenues	5,866	6,398	5,442	6,364
Net loss for the period	(1,501)	(846)	(1,267)	(936)
Basic and diluted net loss per share	(0.02)	(0.01)	(0.01)	(0.01)

For the medical sector, activities are generally slower in the fourth quarter due to the summer vacations of physicians. For the year ended August 31, 2019, Opsens' FFR business showed growth despite usual seasonal impact.

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2019, the Company had cash and cash equivalents of $14,856,000 compared to $10,887,000 as at August 31, 2018. Of this amount as at August 31, 2019, $13,581,000 was invested in highly-liquid, safe investments. As at August 31, 2019, Opsens had a working capital of $21,312,000, compared to $16,347,000 as at August 31, 2018. The increase in working capital is mainly related to higher cash and cash equivalents and by higher trade and other receivables.

On February 27, 2019, Opsens announced that it has entered into a $8,000,000 credit agreement (the "Agreement") with CIBC. The Agreement consists of a $7,000,000 term loan, set to mature in 60 months with no principal payment for a 24-month period following the signature of the Agreement, bearing interest at prime rate plus 2.00% per annum and of a $1,000,000 revolving operating credit margin bearing interest at prime rate plus 1.00%, set to mature in one year and that may be renewed on an annual basis. The disbursement of the $7,000,000 term loan occurred on March 1, 2019 and the revolving operating credit was also available at that time. Deferred financing fees related to the Agreement includes professional fees and miscellaneous fees of $87,468. Under this Agreement, the Company is subject to certain covenants, which were met as of the date of this MD&A.

On February 6, 2018, the Company entered into a loan agreement of $213,840, net of transaction costs of $2,160, with Investissement Québec. This loan bears interest at prime rate plus 0.25%, is payable in monthly instalments of $4,500, and will be maturing in February 2022. This loan is secured by a movable hypothec on the Company's assets. Under this loan agreement, the Company is subject to certain covenants with respect to maintaining certain financial ratios, which were met as of the date of this MD&A.

Based on its cash and cash equivalents position, Opsens has the financial resources necessary to maintain short-term operations, honour its commitments and support its anticipated growth and development activities. From a medium-term perspective, Opsens may need to raise additional financing by issuing equity securities and/or debt. From a long-term perspective, there is uncertainty about obtaining additional financing, given the risks and uncertainties identified in the *Risks and Uncertainties* section of the Annual Information Form. Changes in cash and cash equivalents will largely depend on the rate of revenue growth in upcoming quarters.

SUMMARY OF CASH FLOWS

(In thousands of Canadian dollars)	Year Ended August 31, 2019	Year Ended August 31, 2018
	$	$
Operating activities	(1,247)	(1,052)
Investing activities	(1,005)	(530)
Financing activities	6,245	(148)
Effect of foreign exchange rate changes on cash and cash equivalents	(24)	47
Net change in cash and cash equivalents	3,969	(1,683)

Operating Activities

For the year ended August 31, 2019, cash flows used by our operating activities were $1,247,000 compared to $1,052,000 for the same period last year. The increase in cash flows used by our operating activities is mainly explained by negative variance in changes in non-cash operating working capital items mostly related to trade and other receivables related to the increase in sales in all sectors. This is partly offset by a positive variance of EBITDACO as explained previously.

Investing Activities

For the year ended August 31, 2019, cash flows used by our investing activities reached $1,005,000 compared to $530,000 for the same period in 2018. The increase in cash flows used is mainly explained by higher acquisition of intangible assets for the medical sector and by the fact that last year, we cashed a tax credit for the acquisition of property, plant and equipment.

Financing Activities

For the year ended August 31, 2019, cash flows generated by financing activities reached $6,245,000 compared to cash flows used of $148,000 for the year ended August 31, 2018. The variation is mainly explained by the fact that we signed a credit agreement with CIBC, as explained previously.

COMMITMENTS

Leases

The Company leases offices in Quebec City under operating leases expiring on May 31, 2021 and September 30, 2025. The main agreement is renewable for an additional five-year period.

Future payments for the leases required in each of the forthcoming years totalling $4,147,840 are as follows:

	$
2020	797,056
2021	780,460
2022	622,018
2023	617,088
2024	631,477
Thereafter	699,741

In 2019, the offices lease expense is $725,133 ($775,018 in 2018).

INFORMATION BY REPORTABLE SEGMENTS

Segmented Information

The Company is organized into two segments: Medical and Industrial.

Medical segment: In this segment, Opsens focuses mainly on physiological measurement such as Fractional Flow Reserve (FFR) and dPR in the interventional cardiology market but also supplies a wide range of miniature optical sensors to measure pressure and temperature to be used in a wide range of applications that can be integrated in other medical devices. This also includes licensing revenue related to its optical sensor technology.

Industrial segment: In this segment, Opsens develops, manufactures and installs innovative fibre optic sensing solutions for critical and demanding industrial applications.

The principal factors employed in the identification of the two segments reflected in this note include the Company's organizational structure, the nature of the reporting lines to the President and Chief Executive Officer and the structure of internal reporting documentation such as management accounts and budgets.

The same accounting policies are used for both reportable segments. Operations are carried out in the normal course of business and are measured at the exchange amount, which approximates prevailing prices in the markets.

	Years ended August 31,					
			2019			2018
	Medical	Industrial	Total	Medical	Industrial	Total
	$	$	$	$	$	$
External sales	30,334,061	2,417,457	32,751,518	21,949,230	2,120,501	24,069,731
Internal sales	-	66,040	66,040	-	149,210	149,210
Gross margin	17,350,499	1,364,634	18,715,133	11,416,874	1,322,538	12,739,412
Depreciation of property, plant and equipment	748,728	53,421	802,149	728,375	72,220	800,595
Amortisation of intangible assets	75,660	15,624	91,284	82,292	15,396	97,688
Financial expenses (revenues)	(138,855)	295,398	156,543	(320,393)	270,289	(50,104)
Change in fair value of embedded derivative	-	-	-	501,250	-	501,250
Net loss	(1,630,315)	(321,493)	(1,951,808)	(4,240,173)	(309,311)	(4,549,484)
Acquisition of property, plant and equipment	619,766	45,389	665,155	642,054	49,624	691,678
Additions to intangible assets	487,301	13,276	500,577	79,076	21,155	100,231
Segment assets	28,506,354	1,582,129	30,088,483	21,982,087	1,603,809	23,585,896
Segment liabilities	12,357,132	290,615	12,647,747	4,651,422	261,511	4,912,933

Geographic sector's information

	Years ended August 31, 2019	2018
	$	$
Revenue by geographic segment		
United States	14,016,549	10,250,126
Japan	10,068,564	6,539,888
Canada	2,744,248	1,987,216
Other*	5,922,157	5,292,501
	32,751,518	24,069,731

* Comprised of revenues generated in countries for which amounts are individually not significant.

Revenues are attributed to the geographic sector based on the clients' location. Capital assets, which include property, plant and equipment and intangible assets, are all located in Canada.

During the year ended August 31, 2019, revenues from two clients represented individually more than 10% of the total revenues of the Company, i.e., 31% (medical's reportable segment) and 27% (medical's reportable segment).

During the year ended August 31, 2018, revenues from two clients represented individually more than 10% of the total revenues of the Company, i.e., 27% (medical's reportable segment) and 25% (medical's reportable segment).

Medical Segment

Information and analysis in this section for revenue and gross margin do not take into consideration licensing revenues ($3,302,000 for the year ended August 31, 2019 and $1,958,000 for the year ended August 31, 2018, respectively).

For the year ended August 31, 2019, sales from medical segment were $27,032,000 compared to $19,991,000 for the year ended August 31, 2018, an increase of $7,041,000. The increase is mainly explained by higher FFR sales of $5,782,000.

Gross margin was $14,048,000 for the year ended August 31, 2019 compared to $9,459,000 for the year ended August 31, 2018, an increase of $4,589,000. The gross margin percentage for the year ended August 31, 2019 was 52% compared to 47% for the year ended August 31, 2018. The increase in gross margin is mainly explained by higher sales from our FFR products combined with a decrease in our production cost. The increase in gross margin percentage reflects higher sales volume and the related economies of scale combined with enhanced productivity.

Net loss for the medical segment was $1,630,000 for the year ended August 31, 2019 compared to $4,240,000 for the same period last year. The decrease in net loss is mainly explained by a higher FFR sales and the improvement of the gross margin, partly offset by higher administrative, sales and marketing and research and development expenses, as explained previously.

Working capital for the medical segment as at August 31, 2019 was $20,192,000 compared to $15,183,000 as at August 31, 2018. The increase of $5,009,000 is mainly explained by higher cash and cash equivalent of $3,815,000 and by trade and other receivables of $2,506,000, partly offset by higher accounts payable and accrued liabilities of $1,538,000.

Industrial Segment

For the year ended August 31, 2019, external sales from industrial segment were $2,418,000 compared to $2,121,000 for the year ended August 31, 2018, an increase of $297,000 mostly explained by higher volume of orders compared to the same period last year.

Gross margin was $1,365,000 for the year ended August 31, 2019 compared to $1,323,000 for the same period in 2018, an increase of $42,000. Gross margin went from 58% for the year ended August 31, 2018 to 55% for the year ended August 31, 2019. The decrease in gross margin percentage is mainly explained by higher headcounts.

Net loss for the industrial segment was $321,000 for the year ended August 31, 2019 compared to $309,000 for the year ended August 31, 2018.

Working capital for the industrial segment as at August 31, 2019 was at $1,119,000 compared to $1,164,000 as at August 31, 2018. The decrease is mainly explained by lower accounts receivables partly offset by higher cash and cash equivalents.

FOURTH QUARTER 2019

Revenues

Revenues totalled $7,867,000 for the quarter ended August 31, 2019 compared to revenues of $5,866,000 for the corresponding period in 2018, an increase of $2,001,000 or 34%. The increase is mainly explained by higher sales in medical segment related to our FFR medical and other medical product lines as explained previously.

Gross Margin

Information and analysis in this section do not take into consideration licensing revenues (nil for the quarter ended August 31, 2019 and $92,000 for the quarter ended August 31, 2018, respectively).

Gross margin was $3,993,000 for the quarter ended August 31, 2019 compared to $2,929,000 for the same period last quarter. The gross margin percentage was stable at 51% for the quarter ended August 31, 2019 and 2018.

Administrative Expenses

Administrative expenses were $1,160,000 and $1,125,000, respectively, for the quarter ended August 31, 2019 and 2018. The increase is mainly explained by higher headcounts. This is partly offset by lower professional fees.

Sales and Marketing Expenses

Sales and marketing expenses totalled $3,175,000 for the quarter ended August 31, 2019, an increase of $793,000 over the $2,382,000 reported during the same period in 2018. The increase is largely explained by higher commissions, publicity, tradeshows and consultants' fees when compared to last quarter due to the expansion of Opsens' sales presence for its FFR products in the United States and EMEA.

Research and Development Expenses

Research and development expenses totalled $1,116,000 for the quarter ended August 31, 2019, an increase of $70,000 over the $1,046,000 reported during the same period in 2018. The increase is mainly explained by higher headcount.

Financial expenses (revenues)

Financial expenses totalled $160,000 for the quarter ended August 31, 2019 compared to financial revenues of $32,000 for the same period in 2018. The increase in financial expenses is mainly explained by higher interest on long-term debt of $92,000 related to the CIBC agreement and by less favorable exchange rate resulting in a negative impact of $114,000.

Net loss

As a result of the foregoing, net loss for the quarter ended August 31, 2019 was $1,618,000 compared to 1,500,000 for the same period in 2018.

INFORMATION ON SHARE CAPITAL

For the year ended August 31, 2019, the Company granted to some employees and directors a total of 2,818,500 stock options with an average exercise price of $0.82, cancelled 588,250 stock options with an exercise price of $1.06, whereas 311,500 stock options with an average exercise price of $0.62 were exercised, and 609,750 stock options with an exercise price of $0.79 expired.

For the year ended August 31, 2018, the Company granted to some employees, directors and consultant a total of 2,284,500 stock options with an average exercise price of $0.99, cancelled 1,477,750 stock options with an exercise price of $1.24, whereas 650,750 stock options with an average exercise price of $0.30 were exercised, and 427,250 stock options with an exercise price of $1.14 expired.

For the year ended August 31, 2018, 2,380,500 warrants with an average exercise price of $1.55 expired.

As at November 13, 2019, the following components of shareholders' equity are outstanding:

Common shares	90,280,317
Stock options	7,152,750
Securities on a fully-diluted basis	97,433,067

No dividend was declared per share for each share class.

RELATED PARTY TRANSACTIONS

Key management personnel, having authority and responsibility for planning, directing and controlling the activities of the Company, comprise the Chief Executive Officer, the Executive Chairman, the Chief Financial Officer, the President of Opsens Solutions Inc., and other vice presidents. Compensation of key management personnel and directors during the year were as follows:

	Years ended August 31,	
	2019	2018
	$	$
Short-term salaries and other benefits	923,554	1,239,012
Termination benefits	-	161,098
Option-based awards	131,177	118,086
	1,054,731	1,518,196

The compensation of key executives is determined by the Human Resources and Compensation Committee, taking into consideration individual performance and market trends.

FINANCIAL INSTRUMENTS

Fair Value

The fair value of cash and cash equivalents, trade and other receivables and accounts payable and accrued liabilities approximates their carrying value due to their short-term maturities.

The fair value of long-term debt is based on the discounted value of future cash flows under the current financial arrangements at the interest rate the Company expects to currently negotiate for loans with similar terms and conditions and maturity dates. The fair value of long-term debt approximates its carrying value due to the current market rates.

Valuation Techniques and Assumptions Applied for the Purposes of Measuring Fair Value

The Company must maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The Company primarily applies the market approach for recurring fair value measurements. The three input levels used by the Company to measure fair value are the following:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Risk Management

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, interest rate risk, concentration risk and foreign exchange risk. These risks arise from exposures that occur in the normal course of business and are managed on a consolidated basis.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company regularly monitors credit risk exposure and takes steps to mitigate the likelihood of this exposure resulting in losses. The Company's exposure to credit risk currently relates to cash and cash equivalents and to trade and other receivables. The Company's credit risk management policies include the authorization to carry out investment transactions with recognized financial institutions with credit ratings of at least A and higher, in either bonds, money market funds or guaranteed investment certificates. Consequently, the Company manages credit risk by complying with established investment policies.

The credit risk associated with trade and other receivables is generally considered normal as trade receivables consist of a large number of customers spread across diverse geographical areas. In general, the Company does not require collateral or other security from customers for trade accounts receivable; however, credit is extended following an evaluation of creditworthiness. In addition, the Company performs ongoing credit checks of all its customers and establishes an allowance for doubtful accounts when accounts are determined to be uncollectible. Two major customers represented 50% of the Company's total accounts receivable as at August 31, 2019 (25% as at August 31, 2018).

As at August 31, 2019, 3% (32% as at August 31, 2018) of the accounts receivable were of more than 90 days whereas 59% (52% as at August 31, 2018) of those were less than 30 days. The maximum exposure to the risk of credit for accounts receivable corresponded to their book value. As at August 31, 2019, the loss allowance was nil ($817,823 as at August 31, 2018).

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled in cash and/or another financial asset. The Company's approach is to ensure it will have sufficient liquidity to meet operational, capital and regulatory requirements and obligations, under both normal and stressed circumstances. Cash flow projections are prepared and reviewed quarterly by the Board of Directors to ensure a sufficient continuity of funding. The funding strategies used to manage this risk include the Company's access to capital markets and debt securities issues.

The following are the contractual maturities of the financial liabilities (principal and interest, assuming current interest rates) as at August 31, 2019 and August 31, 2018:

August 31, 2019	Carrying amount	Cash flows	0 to 12 months	12 to 24 months	After 24 months
	$	$	$	$	$
Accounts payable and accrued liabilities	4,293,483	4,293,483	4,293,483	-	-
Long-term debt	7,494,325	7,613,137	405,463	1,260,663	5,947,011
Total	11,787,808	11,906,620	4,698,946	1,260,663	5,947,011

August 31, 2018	Carrying amount	Cash flows	0 to 12 months	12 to 24 months	After 24 months
	$	$	$	$	$
Accounts payable and accrued liabilities	2,719,690	2,719,690	2,719,690	-	-
Long-term debt	1,193,112	1,276,509	580,052	488,783	207,674
Total	3,912,802	3,996,199	3,299,742	488,783	207,674

Interest Rate Risk

The Company's exposure to interest rate risk is summarized as follows:

Cash and cash equivalents	Fixed and variable interest rates
Trade and other receivables	Non-interest-bearing
Accounts payable and accrued liabilities	Non-interest-bearing
Long-term debt	Non-interest-bearing and variable interest rates

Interest Rate Sensitivity Analysis

Interest rate risk exists when interest rate fluctuations modify the cash flows or the fair value of the Company's investments. The Company owns investments with fixed and variables interest rates. As at August 31, 2019, the Company was holding more than 91% (91% as at August 31, 2018) of its cash and cash equivalents in all-time redeemable term deposits.

All else being equal, a hypothetical 1% interest rate increase or decrease would have an impact of $40,176 on net loss and comprehensive loss for the year ended August 31, 2019 (not significant for the year ended August 31, 2018).

Financial Expenses (Revenues)

	Years ended August 31,	
	2019	2018
	$	$
Interest and bank charges	79,522	68,079
Interest on long-term debt	267,096	75,505
Interest and imputed interest on the convertible debenture	-	14,763
Loss (gain) on foreign currency translation	10,578	(42,170)
Interest income	(200,653)	(166,281)
	156,543	(50,104)

Concentration Risk

Concentration risk exists when investments are made with multiple entities that share similar characteristics or when a large investment is made with a single entity. As at August 31, 2019 and 2018, the Company was holding 100% of its cash equivalents portfolio in all-time redeemable term deposits with financial institutions with high creditworthiness.

Foreign Exchange Risk

The Company realizes certain sales and purchases and certain supplies and professional services in U.S. dollars, Euros and British pounds. Therefore, it is exposed to foreign currency fluctuations. The Company does not actively manage this risk.

Foreign Currency Sensitivity Analysis

For the year ended August 31, 2019, if the Canadian dollar had strengthened 10% against the U.S. dollar with all other variables held constant, net loss and comprehensive loss would have been $1,036,000 higher ($591,000 higher for the year ended August 31, 2018). Conversely, if the Canadian dollar had weakened 10% against the U.S. dollar with all other variables held constant, net loss and comprehensive loss would have been $1,036,000 lower for the year ended August 31, 2019 ($591,000 lower for the year ended August 31, 2018).

For the year ended August 31, 2019, if the Canadian dollar had strengthened 10% against the Euro with all other variables held constant, net loss and comprehensive loss would have been $284,000 higher ($345,000 higher for the year ended August 31, 2018). Conversely, if the Canadian dollar had weakened 10% against the Euro with all other variables held constant, net loss and comprehensive loss would have been $284,000 lower for the year ended August 31, 2019 ($345,000 lower for the year ended August 31, 2018).

For the year ended August 31, 2019, if the Canadian dollar had strengthened 10% against the British pound with all other variables held constant, net loss and comprehensive loss would have been $26,000 higher (not significant for the year ended August 31, 2018). Conversely, if the Canadian dollar had weakened 10% against the British pound with all other variables held constant, net loss and comprehensive loss would have been $26,000 lower for the year ended August 31, 2019 (not significant for the year ended August 31, 2018).

As at August 31, 2019 and August 31, 2018, the risk to which the Company was exposed is established as follows:

	As at August 31, 2019	As at August 31, 2018
	$	$
Cash and cash equivalents (US$616,438; US$599,807 as at August 31, 2018)	819,554	783,048
Cash and cash equivalents (€ 68,066; € 643 as at August 31, 2018)	99,574	975
Cash and cash equivalents (£ 54,329; £ 11,498 as at August 31, 2018)	87,931	19,467
Trade and other receivables (US$2,506,505; US$1,502,031 as at August 31, 2018)	3,332,399	1,960,902
Trade and other receivables (€ 495,207; € 145,249 as at August 31, 2018)	724,438	220,270
Trade and other receivables (£ 49,060; £ 131,788 as at August 31, 2018)	79,404	223,130
Accounts payable and accrued liabilities (US$1,044,681; US$526,291 as at August 31, 2018)	(1,388,903)	(687,073)
Accounts payable and accrued liabilities (€ 2,300; € 3,854 as at August 31, 2018)	(3,365)	(5,845)
Accounts payable and accrued liabilities (£ 37,712; £ 4,537 as at August 31, 2018)	(61,037)	(7,682)
Total	3,689,995	2,507,192

CAPITAL MANAGEMENT

The Company's objective in managing capital, primarily composed of shareholders' equity and long-term debt, is to ensure sufficient liquidity to fund production activities, R&D, general and administrative expenses, sales and marketing expenses, working capital and capital expenditures.

In the past, the Company has had access to liquidity through non-dilutive sources, including the sale of non-core assets, long-term debts, investment tax credits and government assistance, interest income and public equity offerings.

As at August 31, 2019, the Company's working capital amounted to $21,311,770 ($16,346,939 as at August 31, 2018), including cash and cash equivalents of $14,855,982 ($10,886,788 as at August 31, 2018). The accumulated deficit at the same date was $40,678,055 ($41,625,541 as at August 31, 2018). Based on the Company's assessment, which takes into account current cash and cash equivalents, as well as its strategic plan and corresponding budgets and forecasts, the Company believes that it has sufficient liquidity and financial resources to fund planned expenditures and other working capital needs for at least, but not limited to, the 12-month period after the reporting date of August 31, 2019.

The Company believes that its current liquid assets are sufficient to finance its activities in the short-term.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. Capital management objectives, policies and procedures have remained unchanged since the last fiscal year.

For the years ended August 31, 2019 and 2018, the Company has not been in default on any of its obligations regarding long-term debt.

CAPACITY TO PRODUCE RESULTS

As discussed in the section "LIQUIDITY AND CAPITAL RESOURCES", the Company has the required financial resources for its short-term operations, to fulfill its commitments, to support its growth plan and for the development of its activities. On a mid-term perspective, it is possible that additional financing, through the issuance of shares or debt financing or any other means of financing, might be required.

From the human resources' perspective, there are no vacancies in the major executive positions within the Company. However, additional technical and production personnel as well as sales and marketing personnel will be required to support the expected growth. Considering the employment market in Canada, the U.S. and Europe, the Company is confident in its capacity to recruit qualified human resources in a timely fashion.

Regarding the strategy on corporate executive remuneration, it is oriented towards creating long-term value for the shareholders. Several corporate executives hold an important share and share-purchase option position, with rights to be acquired over a four-year period to align shareholders' interest with corporate executives' interest. This long-term vision stimulates innovation and the development of recurring revenues.

NEW ACCOUNTING STANDARDS

New standards adopted by the Company during the year

IFRS 9, Financial Instruments

IFRS 9 *Financial Instruments* (IFRS 9) replaces the provisions of IAS 39 *Financial Instruments: Recognition and Measurement* (IAS 39) that relate to the recognition, classification and measurement of financial assets and financial liabilities, de-recognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of IFRS 9 on September 1, 2018 resulted in changes in accounting policies, however there were no adjustments to the amounts recognized in these condensed consolidated interim financial statements.

The impairment of financial assets, including trade and other receivables, is now assessed using an expected credit loss model: previously, the incurred loss model was used. The impact of applying the expected credit loss model was not material.

The Company applied the modified retrospective method upon adoption of IFRS 9 on September 1, 2018. This method requires the recognition of the cumulative effect of initially applying IFRS 9 to deficit and not to restate prior years. The application of this new standard had no impact on deficit.

The following table illustrates the classification and measurement of financial instrument under IFRS 9 and IAS 39 at the date of the initial application:

	IAS 39 – Original measurement category	**IFRS 9 – New measurement category**
Cash and cash equivalents	Loans and Receivables	Amortised Cost
Trade and other receivables	Loans and Receivables	Amortised Cost
Accounts payable and accrued liabilities	Amortised Cost	Amortised Cost
Long-term debt	Amortised Cost	Amortised Cost

IFRS 15, Revenue from Contracts with Customers

Effective September 1, 2018, the Company has adopted IFRS 15 *Revenue from Contracts with Customers* (IFRS 15). This new standard was applied using a modified retrospective approach. The adoption of IFRS 15 resulted in changes in accounting policies. However, it did not have impact on the timing or measurement of the Company's revenue of applying IAS 18 or IFRS 15 and no adjustment to the opening balance of deficit as at September 1, 2018 has been recorded as result of adopting IFRS 15.

New and amended standards issued but not yet effective

IFRS 16, Lease

On January 13, 2016, the IASB released IFRS 16, Leases, which replace IAS 17, Leases, and the related interpretations on leases such as IFRIC 4, Determining whether an arrangement contains a lease, SIC 15, Operating leases – Incentives and SIC 27, Evaluating the substance of transactions in the legal form of a lease. This new standard specifies how to recognize, measure, present and disclose leases. It also provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless lease term is 12 months or less or the underlying asset has a small value. Accounting for the lessor remains substantially unchanged. The standard is effective for periods beginning on or after January 1, 2019, with earlier application permitted for companies that also apply IFRS 15, Revenue from Contracts with Customers.

The Company has chosen the retrospective application of IFRS 16 with the cumulative effect of initially applying the Standard recognised at the date of initial application. Consequently, the Company will not restate the comparative information. The approach allows for two transition options to measure the right-of-use asset at transition. The Company has chosen that the right-of-use asset will be equal to the lease liability at the date of initial application.

At the time of adoption of the standard on September 1, 2019, the Company anticipates the recognition of a right-of-use asset and a lease liability for a value between $5,000,000 and $5,600,000, based on current rates, and an adjustment of $77,000 will be recorded as a reduction of the deficit at the same time.

IFRIC 23, Uncertainty Over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC 23, Uncertainty Over Income Tax Treatments (the interpretation). The interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The interpretation requires an entity to:

- contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution;
- reflect an uncertainty in the amount of income tax payable (recoverable) if it is probable that it will pay (or recover) an amount for the uncertainty; and
- measure a tax uncertainty based on the most likely amount or expected value depending on whichever method better predicts the amount payable (recoverable).

The Company completed the analysis of this interpretation and concluded that it will not have a significant impact on its consolidated financial statements.

DISCLOSURE CONTROLS AND PROCEDURES

In accordance with the requirements of National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), the Company's management, including the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO), have evaluated the effectiveness of the Company's disclosure controls and procedures (DC&P). Based upon the results of the evaluation, the Company's CEO and CFO have concluded that as at August 31, 2019, the Company's disclosure controls and procedures to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported within the appropriate time periods and forms were effective.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Internal control over financial reporting (ICFR) is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with applicable IFRS. Internal control over financial reporting should include those policies and procedures that establish the following:

- maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and disposals of assets;
- reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with applicable IFRS;
- receipts and expenditures are only being made in accordance with authorizations of management or the Board of Directors; and
- reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposal of the Company's assets that could have a material effect on the financial instruments.

An evaluation was carried out, under the supervision of the CEO and the CFO, of the design and effectiveness of our internal controls over financial reporting. Based on this evaluation, the CEO and the CFO concluded that the internal controls over financial reporting are effective as at August 31, 2019.

RISK FACTORS

The Company operates in an industry that contains various risks and uncertainties. Additional risks and uncertainties not presently known by the Company, or which the Company deems to be currently insignificant, may impede the Company's performance. The materialization of one of the risks could harm the Company's activities and have significant negative impacts on its financial situation and its operating results. In that case, the Company's stock price could be affected.

There are important risks which management believes could impact the Company's business. For information on risks and uncertainties, please also refer to the "Risk Factors" section of our most recent Annual Information Form.

OFF-BALANCE SHEET ARRANGEMENTS

As of August 31, 2019, the Company was not the primary beneficiary in Special Purpose Entities and there were no off-balance sheet arrangements.

OTHER INFORMATION

Updated information on the Company can be found on the SEDAR Web site at http://www.sedar.com.

On behalf of management,
Chief Financial Officer and Corporate Secretary

(s) Robin Villeneuve, CPA, CA

November 13, 2019