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The securities offered under this short form prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. persons or any persons in the United States unless exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws are available. This short form prospectus does not constitute an offer to sell or a solicitation or an offer to buy any of the securities offered hereby within the United States or to, or for the benefit of, U.S. persons. "United States" and "U.S. person" have the meanings ascribed to them in Regulation S under the U.S. Securities Act. See "Plan of Distribution".

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of Ventripoint Diagnostics Ltd. at 2 Sheppard Avenue East, Suite 605, Toronto, ON, M2N 5Y7 (telephone (416)-848-4156), and are also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS



New Issue

October 13, 2021

Ventripoint Diagnostics Ltd.

\$7,004,400

13,470,000 Units

Price: \$0.52 per Unit

This short form prospectus (the "**Prospectus**") qualifies the distribution ("**Offering**") of 13,470,000 Units ("**Initial Units**") of Ventripoint Diagnostics Ltd. ("**Ventripoint**" or the "**Company**") at a price of \$0.52 per Unit ("**Issue Price**"). Each Initial Unit consists of one common share of the Company (each an "**Initial Share**" and collectively the "**Initial Shares**") and one common share purchase warrant of the Company (each whole common share purchase warrant being an "**Initial Warrant**" and collectively the "**Initial Warrants**"). Each Initial Warrant will entitle the holder thereof to purchase one common share of the Company (each an "**Initial Warrant Share**") at an exercise price of \$0.70 per Initial Warrant Share at any time until 5:00 pm (Toronto time) on the date that is 60 months following the Closing Date (as defined below), subject to adjustment in certain events. The Warrants shall be governed by the terms of a warrant indenture (the "**Warrant Indenture**"), to be dated as of the Closing Date, between the Company and Computershare Trust Company of Canada (the "**Warrant Agent**"), as a warrant agent.

The Units qualified for distribution by this Prospectus will be issued pursuant to the terms of an underwriting agreement (the "**Underwriting Agreement**") entered into among the Company and Leede Jones Gable Inc. ("**LJG**") and Stifel Nicolaus Canada Inc. (collectively with LJG, the "**Co-Lead Underwriters**" or the "**Underwriters**"). The Issue Price was determined based on arm's-length negotiations between the Company and the Underwriters with reference to the prevailing market price of the common shares of the Company (the "**Common Shares**") on the TSX

Venture Exchange (the "TSXV"). The Initial Units will be offered in the provinces of Ontario, British Columbia, Alberta and Saskatchewan. Subject to applicable law, the Units may be offered and sold in the United States and in such other jurisdictions as approved by the Company. See "Plan of Distribution".

	<u>Price to the Public⁽¹⁾</u>	<u>Underwriters' Fee⁽¹⁾</u>	<u>Net Proceeds to the Company⁽²⁾⁽³⁾</u>
Per Initial Unit	\$0.52	\$0.0364	\$0.4836
Total ⁽⁴⁾	\$7,004,400	\$490,308	\$6,514,092

Notes:

(1) Pursuant to the Underwriting Agreement, the Underwriters will receive a cash fee ("**Underwriters' Fee**") equal to 7% of the gross proceeds of the Offering (including in respect of any exercise of the Over-Allotment Option, if any). As additional compensation, the Company has agreed to issue compensation options (the "**Compensation Options**") to the Underwriters on the Closing Date that is equal to 7.0% of the number of Initial Units (and any Additional Units (as defined below) purchased in connection with the over-Allotment Option), being 942,900 Compensation Options. Each Compensation Option shall entitle the holder to purchase one Initial Unit (a "**Compensation Unit**") at the Issue Price at any time on or before the date which is 60 months from the date of issuance. Each Compensation Unit shall consist of one Common Share (each, a "**Compensation Share**") and one warrant having the same terms as the Warrants (each, a "**Compensation Warrant**"), with each Compensation Warrant entitling the holder to acquire one Common Share (each, a "**Compensation Warrant Share**") at a price of \$0.70. This Prospectus qualifies the distribution of the Compensation Options. See "Plan of Distribution".

The calculations provided herein assume no President's List (as defined below) sales. The Company shall be entitled to list specific subscribers on a president's list (the "**President's List**"). The President's List will be entitled to participate in the Offering up to \$702,000. With respect to the President's List, the Company shall (i) pay the Underwriters a cash fee of 3% (with respect to such amount, in lieu of, and not in addition to, the Underwriters' Fee set forth above) of the aggregate gross proceeds from the President's List, payable on closing of the Offering or the Over-Allotment Option, as applicable, and (ii) issue Compensation Options to purchase up to an additional 3% of the Units sold under the President's List on the same terms as the Offering.

(2) After deducting the Underwriters' Fee, but before deducting the expenses of the Offering, estimated to be \$250,000, which, together with the Underwriters' Fee, will be paid out of the gross proceeds of the Offering.

(3) The Company has granted to the Underwriters an option (the "**Over-Allotment Option**"), to purchase, or arrange for substituted purchasers to purchase, up to an additional 2,020,500 units of the Company (the "**Additional Units**") at a price per Additional Unit equal to the Issue Price, that is exercisable in whole or in part, and at any time and from time to time, on or before 5:00 p.m. (Toronto time) on the date that is 30 days after and including the Closing Date (as defined below) to cover the Underwriters' over-allocation position, if any, and for market stabilization purposes. Each Additional Unit shall consist of one common share in the capital of the Company (each an "**Additional Share**" and collectively the "**Additional Shares**") and one common share purchase warrant of the Company (each whole common share purchase warrant being an "**Additional Warrant**" and collectively the "**Additional Warrants**"). Each Additional Warrant will entitle the holder thereof to purchase one common share of the Company (each an "**Additional Warrant Share**") and will be subject to the same terms as the Warrants. The Underwriters can elect to exercise the Over-Allotment Option for Additional Units only, Additional Shares only, or Additional Warrants only, or any combination thereof. The purchase price for Additional Warrants purchased upon exercise of the Over-Allotment Option is \$0.10 per Warrant, and the purchase price per Additional Share purchased upon exercise of the Over-Allotment Option is \$0.42 per Additional Share, so long as the aggregate number of Additional Shares and Additional Warrants that may be issued under such Over-Allotment Option does not exceed 2,020,500 Additional Shares and Additional Warrants. If the Over-Allotment Option is exercised in full, the total "Price to the Public", "Underwriters' Fee" and "Net Proceeds to the Company" will be \$8,055,060, \$563,854 and \$7,491,206, respectively. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Units issuable upon exercise of the Over-Allotment Option. A purchaser who acquires securities forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution."

The following table sets out the number of securities that may be issued by the Company pursuant to the Over-Allotment Option and Underwriter's Warrants:

Underwriters' Position	Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	2,020,500 Additional Units	Up to 30 days from the Closing Date	\$0.52 per Additional Unit
Compensation Options issuable upon exercise of the Over-Allotment Option ⁽¹⁾	141,435 Compensation Options ⁽²⁾	Exercisable for a period of 60 months following the Closing Date	\$0.52 per Compensation Unit

Notes:

- (1) The Prospectus qualifies the distribution of the Compensation Options.
- (2) If the Over-Allotment Option is exercised in full, the total number of Compensation Units available will be 1,084,335.

Unless the context otherwise requires or unless otherwise specifically stated, all references in this Prospectus to (i) the "**Offering**" shall be deemed to include the Over-Allotment Option, (ii) the "**Offered Units**" shall mean, collectively, the Initial Units and the Additional Units, (iii) the "**Unit Shares**" shall mean, collectively, the Initial Shares and the Additional Shares, (iv) the "**Shares**" shall mean, collectively, the Unit Shares and the Compensation Shares, (v) the "**Unit Warrants**" shall mean, collectively, the Initial Warrants and the Additional Warrants, (vi) the "**Warrants**" shall mean the Unit Warrants, and (vii) the "**Unit Warrant Shares**" shall mean, collectively, the Initial Warrant Shares and the Additional Warrant Shares.

The Common Shares of the Company are listed on the TSXV under the symbol "VPT". On September 24, 2021, the last trading day prior to the announcement of the Offering, the closing price of the Common Shares on the TSXV was \$0.59. On October 12, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSXV was \$0.475. The Company has received conditional approval from the TSXV to list the Unit Shares, Unit Warrant Shares and Compensation Shares and Compensation Warrant Shares. Listing is subject to the Company fulfilling the listing requirements of the TSXV. Closing of the Offering is subject to receipt of the prior approval of the Offering by the TSXV, subject only to the usual closing conditions.

It is anticipated that one or more global certificates evidencing the Unit Shares and Unit Warrants comprising the Offered Units distributed under this Prospectus will be issued in registered form to CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee under the book-based system administered by CDS or will be deposited with CDS on the Closing Date. No certificate evidencing the Unit Shares or Unit Warrants will be issued to purchasers, except in limited circumstances, and registration will be made in the depository services of CDS. Purchasers will receive only a customer confirmation from the Underwriters or other registered dealer who is a CDS Participant (a "**CDS Participant**") through which the Offered Units are purchased. CDS will record the CDS Participants who hold Unit Shares and Unit Warrants on behalf of owners who have purchased Offered Units in accordance with the book-based system. Purchasers who are not issued certificates evidencing the Unit Shares and Unit Warrants comprising the Offered Units which are subscribed for by them at closing are entitled, under the *Canada Business Corporations Act*, to request that certificates be issued in their name. Such a request will need to be made through the CDS Participant through whom the beneficial interest in the securities is held at the time of the request.

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

The Underwriters, as principals, conditionally offer the Offered Units, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*", subject to the approval of certain legal matters by Boyle & Co. LLP, on behalf of the Company, and by Bennett Jones LLP, on behalf of the Underwriters.

Subscriptions for the Offered Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. A purchaser of the Offered Units, including a purchaser of Offered Units in the United States that is a "qualified institutional buyer" as defined in Rule 144A of the U.S. Securities Act (a "**Qualified Institutional Buyer**"), will receive only a customer confirmation from the

registered dealer from or through which such Offered Units are purchased and who is a CDS depository service participant. CDS will record the CDS Participants who hold such Offered Units on behalf of owners who have purchased such Offered Units in accordance with the book-based system. No certificates will be issued unless specifically requested or required. See "*Plan of Distribution*".

Closing of the Offering is expected to occur on or about October 19, 2021, or such other date as may be agreed upon by the Company and the Co-Lead Underwriters (the "**Closing Date**"); however, the Offered Units are to be taken up by the Underwriters, if at all, on or before a date that is not later than 42 days after the date of the receipt for the final short form prospectus. See "*Plan of Distribution*".

There is no market through which the Unit Warrants may be sold and purchasers may not be able to resell the Unit Warrants purchased under this Prospectus. This may affect the pricing of the Unit Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Unit Warrants, and the extent of issuer regulation. See "*Risk Factors*".

An investment in the Offered Units is highly speculative and involves a high degree of risk, and should only be made by persons who can afford the total loss of their investment. Investors should carefully consider the risk factors described or incorporated by reference in this Prospectus before purchasing the Offered Units. Prospective investors are advised to consult their legal counsel and other professional advisors in order to assess income tax, legal and other aspects of the investment. See "*Cautionary Note Regarding Forward Looking Statements*" and "*Risk Factors*".

The Underwriters propose to offer the Offered Units initially at the Issue Price. After the Underwriters have made a reasonable effort to sell all of the Offered Units at such price, the Issue Price may be decreased and may be further changed from time to time to an amount not greater than the Issue Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Offered Units is less than the proceeds paid by the Underwriters to the Company. See "*Plan of Distribution*".

Prospective purchasers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, territorial, foreign and other tax consequences of acquiring, holding or disposing of the Offered Units, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Units. See "*Eligibility for Investment*" and "*Certain Canadian Federal Income Tax Considerations*".

In this Prospectus, unless the context otherwise requires, references to "we", "us", "our" or similar terms, as well as references to "Ventripoint" or the "Company", refer to Ventripoint Diagnostics Ltd., either alone or together with its subsidiaries.

The Company's registered office and head office is located at 605 - 2 Sheppard Avenue East, Toronto, Ontario M2N 5Y7.

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GENERAL MATTERS

Purchasers of Offered Units should rely only on the information contained or incorporated by reference in this Prospectus. The Company has not authorized anyone to provide purchasers with different or additional information. If anyone provides purchasers with different or additional information, purchasers should not rely on it. The Company is not making an offer to sell or seeking an offer to buy these Offered Units in any jurisdiction where the offer or sale is not permitted. Purchasers should assume that the information contained in this Prospectus is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this Prospectus or of any sale of the Offered Units. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

"Ventripoint", "VMS" and "KBR" are trademarks of the Company.

The corporate website of the Company is www.Ventripoint.com. The information on the Company's website is not intended to be included or incorporated by reference into this Prospectus and prospective buyers should not rely on such information when deciding whether or not to invest in the Offered Units.

Statistical information and other data relating to the medical industry included in this Prospectus are derived from recognized industry reports published by industry analysts, industry associations and/or independent consulting and data compilation organizations. Market data and industry forecasts used throughout this Prospectus were obtained from various publicly available sources. Although the Company believes that these independent sources are generally reliable, the accuracy and completeness of the information from such sources are not guaranteed and have not been independently verified.

In this Prospectus, unless otherwise noted, all dollar amounts are expressed in Canadian dollars. References to "\$US" are to United States dollars.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commission or similar regulatory authority in Ontario, British Columbia, Alberta and Saskatchewan, are available at www.sedar.com and are specifically incorporated by reference into, and form an integral part of, this Prospectus, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this Prospectus or in any other subsequently filed document that is also incorporated by reference in this Prospectus:

- (i) the annual information form of the Company dated May 31, 2021 for the year ended December 31, 2020 (the "**Annual Information Form**");
- (ii) the audited consolidated financial statements of the Company and the notes thereto for the years ended December 31, 2020 and 2019, together with the auditors' report thereon;
- (iii) the Company's management discussion and analysis dated May 3, 2021 for the year ended December 31, 2020;
- (iv) the Company's restated interim unaudited consolidated financial statements for the three and six months ended June 30, 2021;
- (v) the Company's second restated management discussion and analysis for the three and six months ended June 30, 2021;
- (vi) the Company's material change report dated September 15, 2020, regarding the issuer's corporate update;
- (vii) the Company's material change report dated September 30, 2020, regarding changes to the board of directors of the Company;

- (viii) the Company's material change report dated November 3, 2020, regarding the engagement of an investor relations firm and the approval of a warrant amendment;
- (ix) the Company's material change report dated January 15, 2021, regarding the filing of the Company's articles of amendment;
- (x) the Company's material change report dated April 27, 2021, regarding the collaboration with GE Healthcare;
- (xi) the management information circular of the Company dated July 8, 2021 for the annual and special meeting of shareholders held on August 9, 2021;
- (xii) the Company's material change report dated September 28, 2021 regarding the Offering; and
- (xiii) the term sheet relating to the Offering dated September 28, 2021 (the "**Term Sheet**").

Material change reports (other than confidential reports), business acquisition reports, annual financial statements, interim financial statements, the associated management's discussion and analysis of financial condition and results of operations and all other documents of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and before completion or withdrawal of the Offering, will be deemed to be incorporated by reference into this Prospectus. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Company and readers should review all information contained in this Prospectus and the documents incorporated or deemed to be incorporated by reference herein.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Only the modifying or superseding statement shall be deemed to constitute a part of this Prospectus.

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of the Company at 605 - 2 Sheppard Avenue East, Toronto, Ontario M2N 5Y7 (416) 848-4156 and are also available electronically at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Ventripoint, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Prospectus, such statements use such words as "anticipates", "believes", "continue", "could", "estimates", "expects", "intends", "may", "plans", "potential", "predicts", "projects", "should" or "will" and other similar terminology. These statements reflect current expectations regarding future events and operating performance and speak only as of the date of this Prospectus. Forward-looking statements include, among others, statements with respect to expected use of proceeds of the Offering, completion and timing of the Offering, research and development of new technologies, proprietary rights, skilled staff and future financings. Although the forward-looking statements contained in this Prospectus are based

upon what management of Ventripoint believes are reasonable assumptions, Ventripoint cannot assure purchasers that actual results will be consistent with these forward-looking statements and should not be unduly relied upon by purchasers. These forward-looking statements are made as of the date of this Prospectus. The Company undertakes no obligation to update forward-looking information if these beliefs, estimates and opinions or other circumstances should change, except as may be required by applicable law.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to:

- The Company's ability to raise sufficient financing on a timely basis, secure and restore relationships with its suppliers and development partners and retain qualified personnel;
- A significant share of the Company's products sales are sold to a few key customers globally;
- Expectations as to future shipments of products based on purchase orders received and the total size of such orders after all shipments;
- The anticipated or potential effects of the COVID-19 pandemic on the Company, its operations and results, its customers, suppliers and employees and on the economy generally;
- The Company's ability to meet the continued listing requirements for the TSXV;
- The Company's guidance on the regulatory process, jurisdictions in which it may see registration and the costs and time that may be involved;
- The Company's expectation that it will undertake confirmatory trials with potential customers to support sales initiatives in new and existing markets;
- The Company's intention to allocate a portion of its available capital towards its research efforts;
- The Company's anticipation of higher demand from current and prospective clients globally;
- The Company may be unable to develop new products or commercialize products that are under development;
- The Company's potential to have negative cash flow from operating activities and net losses in future periods as revenue from commercial activities continues to increase and that a portion of the proceeds from the Offering will be used to fund negative cash flow from operating activities in future periods;
- The Company has a history of operating losses. It expects to incur net losses and may never achieve or maintain profitability;
- The Company may be unable to maintain or obtain partnerships for one or more of its product candidates, which could curtail future development and negatively affect its share price;
- The success of the business depends on receiving and maintaining regulatory approvals;
- The Company may not achieve its projected development goals in the time frames the Company announces and expects;
- If the Company fails to attract and retain key employees, the development and commercialization of its products may be adversely affected;

- The Company may be unable to obtain or enforce patents to protect its technologies from other companies with competitive products, and patents of other companies could prevent it from manufacturing, developing or marketing its products;
- The Company's products and product candidates may infringe the intellectual property rights of others, or others may infringe on its intellectual property rights, which could increase its costs;
- The Company may be subject to product liability claims, litigation or product recalls;
- The Company and its products may be subject to unfavourable publicity or consumer perception;
- The Company's major markets are outside of Canada and may expose it to political, currency, economic and legal risk;
- The Company's competitors may be better capitalized and have more attractive product offerings than the Company does;
- The Company's share price has been and may continue to be volatile, an investment in its common shares could suffer a decline in value and there is no assurance that an active trading market in the Company's common shares will be sustained;
- The Company is susceptible to stress in the global economy and therefore, its business may be affected by current and future global financial conditions;
- The Company and its suppliers, partners and customers are exposed to the effects of severe weather, natural disasters, diseases, and other catastrophic and force majeure events beyond the Company's control, as well as those that may be caused by climate change, and such events could result in a material adverse effect on the Company;
- The Company's research and manufacturing operations involves potentially hazardous materials;
- Management has indicated its plan for the use of proceeds of any particular Offering in the Prospectus, but will ultimately exercise its discretion respecting how such funds are put to use;
- Holders of Common Shares may be subject to dilution resulting from future offerings of Common Shares by the Company;
- Orders for the Company's products may be cancelled or not fulfilled for many reasons;
- There will be no market for the Unit Warrants; and
- Enforcement of judgments against foreign persons may not be possible.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Prospectus. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about: (i) positive results of pre-clinic and clinic tests; (ii) regulatory approvals; (iii) general business and economic conditions; (iv) the Company's ability to successfully develop new products; (v) the availability of financing on reasonable terms; (vi) the Company's ability to attract and retain skilled staff; (vii) market competition; (viii) the products and technology offered by the Company's competitors; (ix) the Company's ability to protect patents and proprietary rights; and (x) the Company's ability to manufacture its products and to meet demand.

Purchasers should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Readers are cautioned that the foregoing lists of factors are not

exhaustive. Each of the forward-looking statements contained in this Prospectus are expressly qualified by this cautionary statement.

MARKETING MATERIALS

The Term Sheet (as "marketing materials") is not part of this Prospectus to the extent that the contents of the Term Sheet has been modified or superseded by a statement contained in this Prospectus. Any "template version" of any "marketing materials" (as defined in National Instrument 41-101 - *General Prospectus Requirements*) filed under the Company's profile on SEDAR at www.sedar.com after the date of this Prospectus but before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Term Sheet) is deemed to be incorporated by reference in this Prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Boyle & Co. LLP, counsel to the Company, and Bennett Jones LLP, counsel to the Underwriters, the Unit Shares, the Unit Warrants and the Unit Warrant Shares, if issued on the date hereof, would be, at the time of issuance, "qualified investments" under the *Income Tax Act* (Canada) and the regulations thereunder (the "**Tax Act**") for a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account (each a "**Registered Plan**") or deferred profit sharing plan ("**DPSP**"), provided that at such time, (i) in the case of the Shares, the Shares, are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV) or the Company is a "public corporation" (other than a "mortgage investment corporation") as defined in the Tax Act, and (ii) in the case of the Unit Warrant Shares, the Unit Warrant Shares are qualified investments as described in (i) above and the Company is not, and deals at arm's length with each person who is, an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, such Registered Plan or DPSP.

Notwithstanding the foregoing, the annuitant, holder or subscriber of a Registered Plan, as the case may be, (each, a "**Registered Holder**") will be subject to a penalty tax if the Unit Shares, Unit Warrants or Unit Warrant Shares held in a Registered Plan are a "prohibited investment" for that Registered Plan pursuant to the Tax Act. The Unit Shares, Unit Warrants and Unit Warrant Shares will generally be a "prohibited investment" for a particular Registered Plan if a Registered Holder in respect thereof has a "significant interest" (as defined in section 207.01 of the Tax Act) in the Company or the Registered Holder does not deal at arm's length with the Company for the purposes of the Tax Act. The Unit Shares and Unit Warrant Shares will not be a prohibited investment if they are "excluded property" (as defined in section 207.01 of the Tax Act) for trusts governed by a Registered Plan.

Investors in Offered Units should consult their own independent tax advisors for advice with respect to the potential application of these rules to them having regard to their own particular circumstances.

DESCRIPTION OF THE BUSINESS

The Company

Ventripoint Diagnostics Ltd. ("**Ventripoint**", the "**Company**", "**us**", "**we**", or "**our**") was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) on May 4, 2005 under the name "Luca Capital Inc.". The articles of the Company were amended by a Certificate of Amendment dated June 22, 2005 to remove the restrictions on share transfers. On September 18, 2007, the Company completed a business combination with Ventripoint, Inc., was continued under the *Canada Business Corporations Act* and changed its name to "Ventripoint Diagnostics Ltd." On December 7, 2015, the Company filed Articles of Amendment to consolidate the Common Shares of the Company on the basis of one (1) new Common Shares for each ten (10) issued and outstanding Common Shares. On January 12, 2021, the articles of the Company were amended by a Certificate of Amendment to change the province of the registered office of the Company from Alberta to Ontario.

Ventripoint Inc. was incorporated in the State of Washington in July, 2004 and commenced operations in January, 2005. Ventripoint Inc. is wholly owned by the Company. Ventripoint Inc. was migrated to the State of Delaware on

December 21, 2017.

The registered office and principal place of business of the Company is located at 2 Sheppard Avenue East, Suite 605, Toronto, Ontario, M2N 5Y7.

Summary of the Business

The Company, headquartered in Toronto, Canada, is a medical device company engaged in the development and commercialization of analytic tools for cardiac imaging to monitor patients with heart disease – a leading cause of death for both men and women worldwide.

The Company is developing a suite of applications for all major heart diseases and selected imaging modalities, including congenital heart disease, pulmonary hypertension, cardiotoxicity in oncology patients, and Covid-19 related heart issues.

By using images produced from existing medical imaging systems, the Ventripoint Medical System (VMS™) generates accurate cardiac volumetric measurements and a three-dimensional model in a rapid and inexpensive manner. Ventripoint's solution produces critical heart information by processing standard information received from existing medical imaging equipment with its patented and proprietary methods incorporating Knowledge Based Reconstruction (KBR™) algorithms and proprietary cardiac databases (sometimes called catalogues). The VMS enables medical professionals to economically obtain accurate three-dimensional models with critical volume and functional measurements of a patient's heart chambers in only a few minutes more than the time needed for a routine echocardiogram. Measuring volume and function is fundamental in evaluating patients to determine the severity and progression of their disease, assess the effectiveness of treatment, gauge prognosis and decide on the timing of surgical and pharmacological interventions. These key measurements and the 3D model for visual assessment provide medical professionals with some of the critical information necessary for clinical diagnosis and monitoring of their patients.

The Company's KBR method, a form of Artificial Intelligence (AI), allows for the creation of a three-dimensional model of all the chambers of the heart; right and left ventricles, and right and left atria, using images generated from standard imaging equipment. The Company's technology platform is applicable to diagnosing, monitoring, and determining treatment for all heart diseases. The VMS system is based upon patented and proprietary technology that Ventripoint has licensed on an exclusive basis from the University of Washington. The VMS+3.0 system (hardware and software for 2D echocardiograms) and VMS+3.0 software (software only for 3D echocardiograms and MRI scans) has received regulatory market approvals in Canada (June 20, 2019), the United States (October 16, 2019), and Europe (June 20, 2019), including US Food and Drug Administration ("US FDA") marketing clearance, Health Canada license and European CE Mark for all patients where volumetric information and ejection fractions for any of the 4 chambers of the heart is warranted or desired.

Since the commencement of operations, Ventripoint has been committed to commercializing its breakthrough technology to be used as a tool in the diagnosis and management of heart-related diseases.

The Company's primary goal is to have the first system on the mass market that addresses the need for an efficient, accurate, reliable and cost-effective cardiac diagnostic tool that analyzes standard 2D or 3D echocardiography images to deliver 3D functional measurements for all 4 chambers of the heart.

For a detailed description of the business of the Company, prospective investors should refer to the Company's Annual Information Form incorporated by reference into this Prospectus and available on the Company's SEDAR profile at www.SEDAR.com.

Recent Developments

Collaboration with General Electric Healthcare

On April 27, 2021, the Company announced a collaboration with General Electric Healthcare ("GE Healthcare"). The Company has been seeking marketing and distribution channel partners to build awareness and access to

potential customers. Ventripoint has been added as an innovator under GE Healthcare's Edison developer Program, which helps healthcare providers gain access to market-ready applications. As an innovator under this program, our installed base is expected to be enhanced and we anticipate that it will drive Ventripoint's commercial growth worldwide by accessing GE Healthcare's global channel.

The collaboration between GE Healthcare and Ventripoint offers the potential to enable GE Healthcare's global customers to leverage the advanced 3D image analysis tools from the Ventripoint software applications for studies obtained using GE Healthcare's suite of Vivid Cardiovascular ultrasound products.

The Company is employing direct sales in North America and the EU as well as seeking distribution partners worldwide.

Collaboration to Expand to Companion Animals

On January 10, 2021, the Company announced that it has initiated a collaboration to expand the use of the VMS+ to include companion animals.

Chinese Partnership and Future Development

On February 16, 2021, the Company announced that its joint-venture partner Yutian Medical Shanghai Inc. ("**Yutian**") had informed the Company that it had achieved a number of milestones in its platform development to commercialization.

The Company is arm's length to Yutian and does not exercise direct or indirect control over Yutian. The Company does not have any assets in China.

To achieve full commercialization of the Company's product in China, Yutian has obtained the following:

- (i) approval from China Food and Drug Administration or CFDA (now called the National Medical Products Administration or "NMPA"), which is the Chinese agency/administrative body responsible for regulating drugs and medical devices;
- (ii) production certificate has been issued which allows for the production of the KBR products; and
- (iii) listing of the product on provincial medical billing catalog which is a government-controlled list of allowed medical devices to be purchased by hospitals.

To date, no revenue has been generated from the agreement with Yutian. Even upon achievement of regulatory milestones, there are no guarantees that there will be sales in China as there is still the hurdle of product adoption for any new product from a company that is not an established Original Equipment Manufacturer (OEM).

Expanding Product Distribution in Europe and North America

On September 14, 2021, the Company announced it is finalizing agreements with distributors of cardiac medical devices for sales in the United Kingdom (UK) and for the USA markets and is in final discussions with a German distributor for Germany and other parts of Europe. The Company continues to interview additional potential European distribution partners. Ventripoint is also hiring a consulting company to screen additional North American candidates.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at the dates indicated, adjusted to give effect to the Offering on the share and loan capital of the Company since June 30, 2021, the date of the Company's most recently filed interim financial statements. This table should be read in conjunction with the consolidated financial statements of the Company and the related notes and management's discussion and analysis of

financial condition and results of operations in respect of those statements that are incorporated by reference in this Prospectus.

Description	Outstanding as at June 30, 2021	Outstanding as at June 30, 2021 after completion of the Offering	Outstanding as at June 30, 2021 after completion of the Offering, assuming exercise of Over-allotment Option in full
Common Shares	137,553,405	151,023,405	153,043,905
Warrants	1,260,000	14,730,000	16,750,500
Compensation Options to purchase Compensation Units at \$0.52	-	942,900	1,084,335
Stock Options	6,398,750	6,398,750	6,398,750
Non-Convertible Liability	\$1,217,819	\$1,217,819	\$1,217,819
Long Term Debt	\$159,058	\$159,058	\$159,058
Accumulated Deficit	(\$41,920,800)	(\$41,920,800)	(\$41,920,800)
Total Shareholders' Equity ¹	\$2,241,054	\$8,533,226	\$9,510,340

Notes:

- (1) Includes the proceeds of the Offering, the exercise of the Over-Allotment Option (as applicable), net of the Underwriter Fee (assuming full utilization of the President's List), and legal, audit and other fees estimated to be approximately \$250,000.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Common Shares

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares (issuable in series). The Company has never issued preferred shares and has no plans to do so in the foreseeable future. As of the date of this Prospectus, there were 138,153,405 Common Shares outstanding.

The holders of the Common Shares are entitled: (a) to vote at all meetings of shareholders of the Company, except meetings at which only holders of a specified class of shares are entitled to vote; (b) to receive, subject to the rights of the holders of another class of shares, any dividend declared by the Company; and (c) to receive, subject to the rights of the holders of another class of shares, the remaining property of the Company on the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary.

For more information, see "*Description of Capital Structure*" in the Annual Information Form which is incorporated herein by reference.

The Company has not paid any dividends in the past and does not have any present intention of declaring dividends.

Warrants

The Unit Warrants will be governed by the terms of the Warrant Indenture to be entered into between the Company and the Warrant Agent. The Company will appoint the principal transfer offices of the Warrant Agent in Calgary, Alberta as the location at which Unit Warrants may be surrendered for exercise or transfer. The following summary of certain provisions of the Warrant Indenture contains all of the material attributes and characteristics of the Unit Warrants but does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Indenture. Reference is made to the Warrant Indenture for the full text of the attributes of the Unit Warrants which will be filed by the Company under its corporate profile on SEDAR following the closing of the Offering.

Each Unit Warrant will entitle the holder to purchase one Unit Warrant Share at an exercise price of \$0.70 per Unit Warrant Share, subject to adjustment, at any time until 5:00 p.m. (Toronto time) on the on the date that is 60 months after the Closing Date. In the event that the volume weighted average trading price of the Common Shares for ten (10) consecutive trading days exceeds \$1.00, the Company may, within 10 business days of the occurrence of such event, deliver a notice (including a press release) to the holders of Unit Warrants accelerating the expiry date of the Warrants to the date that is 30 days following the date of such notice.

The Warrant Indenture will provide for adjustment in the number of Unit Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Unit Warrant Share upon the occurrence of certain events, including:

- (i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to holders of all or substantially all of the Company's Common Shares by way of stock dividend or other distribution (other than a "dividend paid in the ordinary course", as defined in the Warrant Indenture, or a distribution of Common Shares upon the exercise of the Unit Warrants or pursuant to the exercise of director, officer or employee stock options granted under the Company's stock option plan);
- (ii) the subdivision, redivision or change of the Common Shares into a greater number of shares;
- (iii) the reduction, combination or consolidation of the Common Shares into a lesser number of shares;
- (iv) the fixing of a record date for the issue of rights, options or warrants to all or substantially all of the holders of the Common Shares under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or having an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, for the Common Shares on such record date; and
- (v) the issuance or distribution to all or substantially all of the holders of the securities of the Company including shares, rights, options or warrants to acquire shares of any class or securities exchangeable or convertible into any such shares or cash, property or assets and including evidences of indebtedness, or any cash, property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Unit Warrants and/or exercise price per security in the event of the following additional events: (i) reclassifications of the Common Shares; (ii) consolidations, amalgamations, plans of arrangement or mergers of the Company with or into another entity (other than consolidations, amalgamations, plans of arrangement or mergers

which do not result in any reclassification of the Common Shares or a change or exchange of the Common Shares into other shares); or (iii) the transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another Company or other entity.

No adjustment in the exercise price or the number of Unit Warrant Shares purchasable upon the exercise of the Unit Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the exercise price by at least 1% or the number of Unit Warrant Shares purchasable upon exercise by at least one one-hundredth of a Unit Warrant Share. Further, no adjustment will be made for Common Shares issued: (i) upon exercise of the Unit Warrants; (ii) pursuant to any dividend reinvestment or similar plan adopted by the Company; (iii) pursuant to stock option or purchase plans, as payment of interest on outstanding notes or debentures, in connection with strategic license agreements or other partnering arrangements; or (iv) in connection with a strategic merger, consolidation or purchase of substantially all of the securities or assets of a corporation or other entity.

The Company will also covenant in the Warrant Indenture that, during the period in which the Unit Warrants are exercisable, it will give notice to holders of Unit Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Unit Warrants or the number of Unit Warrant Shares issuable upon exercise of the Unit Warrants, at least 10 days prior to the record date or effective date, as the case may be, of such event.

If a Unit Warrant holder is entitled to a fraction of a Unit Warrant, the number of Unit Warrants issued to that Unit Warrant holder shall be rounded down to the nearest whole Unit Warrant. No fractional Unit Warrant Shares will be issuable upon the exercise of any Unit Warrants. Holders of Unit Warrants will not have any voting rights or any other rights which a holder of Common Shares would have.

From time to time, the Company (when properly authorized) and the Warrant Agent, subject to the provisions of the Warrant Indenture, may amend or supplement the Warrant Indenture for certain purposes. Certain amendments or supplements to the Warrant Indenture may only be made by "extraordinary resolution", which is defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Unit Warrants at which there are holders of Unit Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Unit Warrants and passed by the affirmative vote of holders of Unit Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Unit Warrants represented at the meeting and voted on such resolution; or (ii) adopted by an instrument in writing signed by the holders of Unit Warrants representing not less than 66⅔% of the aggregate number of all of the then outstanding Unit Warrants.

The Company has not applied and does not intend to apply to list the Unit Warrants on any securities exchange. There will be no market through which the Unit Warrants may be sold and purchasers may not be able to resell the Unit Warrants purchased in the Offering. This may affect the pricing of the Unit Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Unit Warrants, and the extent of issuer regulation.

PRIOR SALES

The following table summarizes the issuances by the Company of common shares and securities convertible into common shares of the Company for the 12 month period prior to the date of this Prospectus. Numbers in bracket show the exercise of warrants and options, and the conversion of convertible debentures into common shares. Convertible debentures are shown at face value in CDN\$.

Issuance/ Exercise/Conversion Date	Type of Security	Number of Securities Issued	Price per Security/ Exercise/Conversion Price
11-Sep-20	Convertible Debentures	\$495,000	\$0.08
11-Sep-20	Warrants	5,940,000	\$0.10
11-Sep-20	Finders' Warrants	130,200	\$0.10

Issuance/ Exercise/Conversion Date	Type of Security	Number of Securities Issued	Price per Security/ Exercise/Conversion Price
28-Sep-20	Common Shares	813,743	\$0.10
28-Sep-20	Stock Options	5,225,000	\$0.10
28-Sep-20	Convertible Debentures ⁽³⁾	(\$822,000)	\$0.08
28-Sep-20	Common Shares	10,959,998	\$0.08
7-Oct-20	Warrants ⁽¹⁾	(2,118,000)	\$0.10
7-Oct-20	Common Shares	2,118,000	\$0.10
8-Oct-20	Warrants ⁽¹⁾	(2,340,000)	\$0.10
8-Oct-20	Common Shares	2,340,000	\$0.10
8-Oct-20	Stock Options ⁽²⁾	(250,000)	\$0.11
8-Oct-20	Common Shares	250,000	\$0.11
15-Oct-20	Convertible Debentures ⁽³⁾	(\$150,000)	\$0.08
15-Oct-20	Common Shares	2,000,000	\$0.08
16-Oct-20	Convertible Debentures ⁽³⁾	(\$25,000)	\$0.08
16-Oct-20	Common Shares	333,333	\$0.08
16-Oct-20	Warrants ⁽¹⁾	(120,000)	\$0.10
16-Oct-20	Common Shares	120,000	\$0.10
21-Oct-20	Warrants ⁽¹⁾	(300,000)	\$0.10
21-Oct-20	Common Shares	300,000	\$0.10
22-Oct-20	Convertible Debentures ⁽³⁾	(\$10,000)	\$0.08
22-Oct-20	Common Shares	133,333	\$0.08
27-Oct-20	Warrants ⁽¹⁾	(180,000)	\$0.10
27-Oct-20	Common Shares	180,000	\$0.10
2-Nov-20	Stock Options	500,000	\$0.11
1-Dec-20	Common Shares	554,666	\$0.08
1-Dec-20	Common Shares	233,365	\$0.10
16-Dec-20	Warrants ⁽¹⁾	(1,150,000)	\$0.30
12-Jan-21	Stock Options	1,810,000	\$0.10
13-Jan-21	Warrants ⁽¹⁾	(300,000)	\$0.10
13-Jan-21	Stock Options ⁽²⁾	(350,000)	\$0.10
13-Jan-21	Convertible Debentures ⁽³⁾	(\$410,000)	\$0.08
13-Jan-21	Common Shares	650,000	\$0.10
13-Jan-21	Common Shares	5,466,663	\$0.08
19-Jan-21	Stock Options	250,000	\$0.14
19-Jan-21	Stock Options	375,000	\$0.15
19-Jan-21	Stock Options	250,000	\$0.20
20-Jan-21	Warrants ⁽¹⁾	(150,000)	\$0.10
20-Jan-21	Warrants ⁽¹⁾	(346,000)	\$0.12

Issuance/ Exercise/Conversion Date	Type of Security	Number of Securities Issued	Price per Security/ Exercise/Conversion Price
20-Jan-21	Convertible Debentures ⁽³⁾	(\$120,000)	\$0.08
20-Jan-21	Common Shares	150,000	\$0.10
20-Jan-21	Common Shares	346,000	\$0.12
20-Jan-21	Common Shares	1,599,999	\$0.08
21-Jan-21	Warrants ⁽¹⁾	(150,666)	\$0.12
21-Jan-21	Warrants ⁽¹⁾	(600,000)	\$0.10
21-Jan-21	Convertible Debentures ⁽³⁾	(\$158,000)	\$0.08
21-Jan-21	Common Shares	150,666	\$0.12
21-Jan-21	Common Shares	600,000	\$0.10
21-Jan-21	Common Shares	2,106,666	\$0.08
25-Jan-21	Warrants ⁽¹⁾	(4,968,000)	\$0.10
25-Jan-21	Convertible Debentures ⁽³⁾	(\$41,000)	\$0.08
25-Jan-21	Common Shares	4,968,000	\$0.10
25-Jan-21	Common Shares	546,667	\$0.08
28-Jan-21	Warrants ⁽¹⁾	(2,687,000)	\$0.10
28-Jan-21	Warrants ⁽¹⁾	(310,000)	\$0.12
28-Jan-21	Deferred Share Units ⁽⁴⁾	(142,500)	\$0.11
28-Jan-21	Convertible Debentures ⁽³⁾	(\$165,000)	\$0.08
28-Jan-21	Common Shares	2,687,000	\$0.10
28-Jan-21	Common Shares	310,000	\$0.12
28-Jan-21	Common Shares	2,199,998	\$0.08
28-Jan-21	Common Shares	142,500	\$0.11
2-Feb-21	Warrants ⁽¹⁾	(3,460,201)	\$0.10
2-Feb-21	Warrants ⁽¹⁾	(2,440,466)	\$0.12
2-Feb-21	Convertible Debentures ⁽³⁾	(\$424,000)	\$0.08
2-Feb-21	Stock Options ⁽²⁾	(500,000)	\$0.10
2-Feb-21	Common Shares	666,666	\$0.09
2-Feb-21	Common Shares	3,960,201	\$0.10
2-Feb-21	Common Shares	2,440,466	\$0.12
2-Feb-21	Common Shares	5,653,331	\$0.08
3-Feb-21	Warrants ⁽¹⁾	(1,764,200)	\$0.10
3-Feb-21	Common Shares	1,764,200	\$0.10
5-Feb-21	Stock Options	1,300,000	\$0.25
16-Feb-21	Warrants ⁽¹⁾	(1,344,200)	\$0.10
16-Feb-21	Warrants ⁽¹⁾	(113,334)	\$0.12
16-Feb-21	Stock Options ⁽²⁾	(400,000)	\$0.25
16-Feb-21	Stock Options ⁽²⁾	(100,000)	\$0.10

Issuance/ Exercise/Conversion Date	Type of Security	Number of Securities Issued	Price per Security/ Exercise/Conversion Price
16-Feb-21	Common Shares	1,444,200	\$0.10
16-Feb-21	Common Shares	113,334	\$0.12
16-Feb-21	Common Shares	400,000	\$0.25
19-Feb-21	Warrants ⁽¹⁾	(1,456,799)	\$0.10
19-Feb-21	Common Shares	1,456,799	\$0.10
23-Feb-21	Common Shares	96,961	\$0.24
25-Feb-21	Warrants ⁽¹⁾	(288,600)	\$0.10
25-Feb-21	Stock Options ⁽²⁾	(275,000)	\$0.11 - \$0.20
25-Feb-21	Common Shares	288,600	\$0.10
25-Feb-21	Common Shares	275,000	\$0.11 - \$0.20
8-Mar-21	Warrants ⁽¹⁾	(1,876,800)	\$0.10
8-Mar-21	Stock Options ⁽²⁾	(350,000)	\$0.10 - \$0.25
8-Mar-21	Common Shares	1,976,800	\$0.10
8-Mar-21	Common Shares	250,000	\$0.135 - \$0.25
22-Mar-21	Warrants ⁽¹⁾	(139,063)	\$0.10
22-Mar-21	Warrants ⁽¹⁾	(66,666)	\$0.12
22-Mar-21	Common Shares	139,063	\$0.10
22-Mar-21	Common Shares	66,666	\$0.12
29-Mar-21	Warrants ⁽¹⁾	(50,000)	\$0.50
29-Mar-21	Common Shares	50,000	\$0.50
12-Apr-21	Stock Options	200,000	\$0.50
20-Apr-21	Finders' Warrants ⁽¹⁾	(3,200)	\$0.18
20-Apr-21	Warrants ⁽¹⁾	(1,166,250)	\$0.50
20-Apr-21	Stock Options ⁽²⁾	(30,000)	\$0.10
20-Apr-21	Common Shares	3,200	\$0.18
20-Apr-21	Common Shares	1,166,250	\$0.50
20-Apr-21	Common Shares	30,000	\$0.10
5-May-21	Warrants ⁽¹⁾	(1,543,877)	\$0.50
5-May-21	Stock Options ⁽²⁾	(450,000)	\$0.10 - \$0.25
5-May-21	Common Shares	1,543,877	\$0.50
5-May-21	Common Shares	450,000	\$0.10 - \$0.25
17-May-21	Warrants ⁽¹⁾	(425,000)	\$0.50
17-May-21	Common Shares	425,000	\$0.50
17-May-21	Stock Options ⁽²⁾	(125,000)	\$0.11
17-May-21	Stock Options ⁽²⁾	(100,000)	\$0.50
17-May-21	Common Shares	125,000	\$0.11
17-May-21	Common Shares	100,000	\$0.50

Issuance/ Exercise/Conversion Date	Type of Security	Number of Securities Issued	Price per Security/ Exercise/Conversion Price
26-May-21	Warrants ⁽¹⁾	(100,000)	\$0.50
26-May-21	Common Shares	100,000	\$0.50
1-Jul-21	Stock Options	850,000	\$0.30
26-Aug-21	Stock Options ⁽²⁾	(125,000)	\$0.11
26-Aug-21	Common Shares	125,000	\$0.11
3-Sep-21	Stock Options	300,000	\$0.40
13-Sep-21	Stock Options ⁽²⁾	(475,000)	\$0.30
13-Sep-21	Common Shares	475,000	\$0.30
14-Sep-21	Stock Options	200,000	\$0.50
14-Sep-21	Stock Options	100,000	\$0.55

Note:

- (1) Warrant Exercises
- (2) Stock Option Exercises
- (3) Convertible Debenture Conversion – Face Value
- (4) Deferred Share Units Exercises

USE OF PROCEEDS

The estimated net proceeds to be received by the Company from the Offering (before giving effect to any exercise of the Over-Allotment Option and assuming no President's List purchasers) will be \$6,264,092, after deducting the Underwriters' Fee and estimated expenses of the Offering of \$250,000. If the Over-Allotment Option is exercised in full, the estimated net proceeds received by the Company from the Offering will be \$7,241,206, after deducting the Underwriters' Fee and estimated expenses of the Offering of \$250,000 (assuming no President's List purchasers).

As at September 30, 2021, the Company had working capital of approximately \$1,640,000.

The Company will use proceeds of the Offering primarily for product design and development, commercialization, commercial launch, sales and marketing, distribution, customer support, product design, and general working capital.

The Company intends to use the net proceeds of the Offering, as well as approximately \$565,908 from existing cash on hand, as follows:

Use of Proceeds	Amount
Operations and commercialization	\$2,280,000
Sales and marketing	\$2,155,000
Product design and development	\$1,288,000
General corporate purposes	\$1,107,000
Total	\$6,830,000

If the Over-Allotment Option is exercised in full, the Company intends to use the additional net proceeds for further new product development and additional facility and equipment upgrade costs.

Although the Company intends to use the proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary depending on future developments or unforeseen events, including developments or events resulting from the COVID-19 outbreak, as discussed below. See "Risk Factors".

Business Objectives and Milestones

The net proceeds from the Offering are expected to be utilized over the next 12 months of operations of the Company. In addition to funding the general operations of the Company, the primary business objectives and milestones that the Company expects to achieve with the estimated net proceeds of the Offering are to progress with developing and marketing of its flagship technology in key markets, including Canada, U.S.A. and Europe. These are as follows:

(1) **Grow cumulative cardiac userbase in Canada, United States and Europe.** The Company is building a small direct salesforce and partnering with distributors to accelerate sales of its products. It will need to hire additional staff for sales, management of distributors, and preparation of marketing material. The Company intends to exhibit at a number of major cardiology and medical device conferences in the next year to build brand awareness and build its sales funnel.

(2) **GE Healthcare product resulting from collaboration.** The Company will continue to collaborate with GE Healthcare to result in a fully validated product, which is developed by the Company in-house and validated by GE Healthcare. The Company will require additional staff to participate in the planning of the launch of the product by GE Healthcare and to prepare supporting documentation for regulatory submissions and marketing, as well as training and support for GE Healthcare's salesforce. The Company will also need additional application specialists to train and support GE Healthcare's application specialists during sales and for aftersales support of customers. The Company is also looking for clinical sites to further validate the product in existing and new applications. The estimated costs through to Q3 2022 are \$570,000 for operations and commercialization and \$322,000 for product design and development.

(3) **Upgrade of VMS+3.0 to VMS+4.0.** The next generation of the Company's products will be focused on 4D (3D plus motion) analysis and enhanced tracking and user-friendly features to accelerate analysis and optimize visualization of all 4 chambers of the heart. The new design will also significantly lower the cost of manufacturing the product. This design and development will be done by Ventripoint in-house. It is estimated that the completion of the development of the VMS+4.0 and validation, regulatory market approvals and transfer to production will occur within the next 12 months. Regulatory market approvals will be done by the Company in-house. The current facility is scaled to manufacture at least 3 units/week with a full-time assembler and quality control personnel. The estimated costs through to Q3 2022 are \$1,710,000 for Operations and commercialization and \$966,000 for product design and development.

The Company anticipates the following regulatory milestones:

North America

- **Annual surveillance audit for ISO 13485:2016/MDSAP.** Audit is scheduled for the end of November 2021 and is required to maintain Medical Device Single Audit Program MDSAP ("MDSAP") certification. The MDSAP is a program that allow the conduct of a single regulatory audit of a medical device manufacturer's quality management system that satisfies the requirements of multiple regulatory jurisdictions. The ISO 13485 standard defines the QMS requirements and MDSAP as an audit process that verifies our compliance with ISO 13485 and applicable country regulations in Canada (i.e. Medical Device Regulations) and the United States (i.e. FDA Quality System Regulations). The jurisdictions covered under our MDSAP are Canada (MDSAP certification mandatory for market access, i.e., marketing and distribution) and United States (no obligation but Company has opted in).

Europe

- **Annual surveillance audit for MDD 93/42/EEC-Annex II.** Audit is scheduled for the end of November 2021 and is required to maintain EC certification.
- **Transition to new European Medical Device Regulations to update our Quality Management System certification and CE Mark.** The Company is undergoing a pre-certification review of the Technical File. A report has been provided, with findings to address, which is standard for any Technical File review. Response to be provided by Company addressing the findings.

Canada, United States, and Europe

- **Regulatory market approvals for the VMS+ 4.0.** This next generation of the Company's flagship product is currently under design and development. Once complete, regulatory market approvals in Canada (Health Canada Medical Device Licence), United States (FDA 510k clearance), and Europe (CE Mark) are required to market, sell, and distribute the product in these jurisdictions. The typical timeline from submission to obtaining approval for Canada is 1-2 months for Class II devices, 1-2 months for Europe CE Marking of Class IIa devices (this may be longer given the transition to the new EU Medical Device Regulations and the burden on all Notified Bodies to transition all their customers), and 3-6 months for United States FDA 510k clearance of Class II devices.

The Company anticipates the aggregate cost of achieving these milestones will be approximately \$6,830,000. The above costs and timelines are the Company's best estimate, at the date of this Prospectus. The Company intends to use the net proceeds of the Offering and cash on hand to achieve these milestones.

The Company generates minimum operating revenue from the commercialization of VMS+ 3.0. and has a negative cash flow from operating activities. The Company anticipates that it will continue to have negative cash flow until such time that sales increase. To the extent that the Company has negative operating cash flows in future periods in excess of amounts disclosed above in the Use of Proceeds table, it may need to deploy a portion of its existing working capital to fund such negative cash flow. See "*Risk Factors*" in this Prospectus and the AIF.

Due to the COVID-19 outbreak, the Company may experience delays in our ability to acquire the equipment and contractors to achieve these milestones. These delays and challenges in obtaining supplies may cause the actual allocation of the net proceeds of the Offering to vary. The Company has put in place strong protocols to minimize exposure of its employees to COVID-19. However, should COVID-19 impact the employees of the Company and employees are unable to work, the Company's ability to hit these milestones may be compromised. The Company is unable at this time to quantify the effect on its financial position of any such delays in the achievement of its business objectives.

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Underwriters have severally and not jointly, nor jointly and severally agreed to purchase, as principals, and the Company has agreed to sell, subject to compliance with all necessary legal requirements and pursuant to the terms and conditions of the Underwriting Agreement, on the Closing Date, not less than all of the Offered Units at the Issue Price, payable in cash to the Company against delivery of the Offered Units. In consideration for the services rendered by the Underwriters in connection with the Offering, the Underwriters will receive the Underwriters' Fee equal to 7% of the gross proceeds of the Offering (including in respect of any exercise of the Over-Allotment Option, if any), reduced to 3% in respect of gross proceeds from the President's List. The Underwriters' Fee shall be payable in cash. In addition to the Underwriters' Fee, the Underwriters will receive Compensation Options equal to 7% of the aggregate number of Offered Units issued under the Offering (including any Additional Units issued upon exercise of the Over-Allotment Option, if any), reduced to 3% in respect of Offered Units issued pursuant to the President's List. This Prospectus also qualifies the issuance of the Compensation Options (including in respect of any Additional Units issuable in respect of any exercise of the Over-Allotment Option). The Compensation Options will be exercisable for a period of 60 months from the Closing Date at an exercise price of \$0.52 per Compensation Unit.

The Company has granted the Underwriters the Over-Allotment Option, exercisable in whole or in part, at any time and from time to time, in the sole discretion of the Underwriters, for a period of 30 days after and including the Closing Date, to purchase up to an additional amount of Additional Units equal to 15% of the Initial Units sold pursuant to the Offering, being 2,020,500 Additional Units, at the Issue Price, to cover over-allotments, if any, and for market stabilization purposes. The grant of the Over-Allotment Option and the Additional Units issued upon exercise of the Over-Allotment Option are qualified for distribution under this Prospectus. A purchaser who acquires securities forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full, the total price to the public, the Underwriters' Fee and the net proceeds to the Company (before payment of the expenses of the

Offering and assuming no utilization of the President's List) will be approximately \$8,055,060, \$563,854 and \$7,491,206.

Each Offered Unit will consist of one Unit Share and Unit Warrant. The Unit Warrants will be created and issued pursuant to the terms of the Warrant Indenture, which will be entered into between the Company and the Warrant Agent. Each Warrant will entitle the holder thereof to purchase one Unit Warrant Share at a price of \$0.70 at any time prior to 5:00 p.m. (Toronto time) on the date that is 60 months after the Closing Date after which time the Unit Warrants will expire and be void and of no value. The Warrant Indenture will contain provisions designed to protect the holders of Unit Warrants against dilution upon the happening of certain events. No fractional Unit Warrant Shares will be issued upon the exercise of any Unit Warrants. In the event that the volume weighted average trading price of the Common Shares for ten (10) consecutive trading days exceeds \$1.00, the Company may, within 10 business days of the occurrence of such event, deliver a notice (including a press release) to the holders of Unit Warrants accelerating the expiry date of the Unit Warrants to the date that is 30 days following the date of such notice.

The Underwriters propose to offer the Offered Units to the public initially at the Issue Price. Without affecting the firm obligation of the Underwriters to purchase the Offered Units in accordance with the Underwriting Agreement, the Underwriters may decrease the Issue Price of the Offered Units, which they sell under this short form prospectus after they have made a reasonable effort to sell all such Offered Units at the Issue Price. The sale by the Underwriters of Offered Units at a price of less than the Issue Price will have the effect of reducing the compensation realized by the Underwriters by the amount that the aggregate price paid by the purchasers for the Offered Units is, less the gross proceeds paid by the Underwriters for the Offered Units.

Subscriptions for the Offered Units will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. It is anticipated that the Unit Shares and Unit Warrants comprising the Offered Units will be registered in the name of CDS or its nominee (subject to certain exceptions), and will be deposited with CDS at the closing of the Offering on the Closing Date, which is expected to occur on or about October 19, 2021, or such other date as the Underwriters and the Company may agree, but in any case no later than 42 days after the date a receipt is issued for the (final) Prospectus to be filed in respect of the Offering. A purchaser of Offered Units (subject to certain exceptions) pursuant to the Offering will receive only a customer confirmation from the registered dealer from or through which the Offered Units are purchased and who is a CDS Participant. No definitive certificates will be issued unless specifically requested or required.

The Underwriters have reserved the right to form a selling group of appropriately registered dealers and brokers, with compensation to be negotiated between the Underwriters and such selling group participants, but at no additional cost to the Company.

The Issue Price was determined based upon arm's length negotiations between the Company and the Co-Lead Underwriters. Among the factors considered in determining the Issue Price were the market price of the Common Shares, prevailing market conditions, the historical performance and capital structure of the Company, the availability of comparable investments, an overall assessment of management of the Company and the consideration of the foregoing factors in relation to market valuation of companies in related businesses.

The obligations of the Underwriters under the Underwriting Agreement are conditional and may be terminated at their discretion on the basis of each of a: "disaster out", "material adverse change out", "regulatory out", "outside date" and "breach out" and may also be terminated upon the occurrence of certain other stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Units offered hereby if any of such Offered Units are purchased under the Underwriting Agreement. The Underwriting Agreement also provides that the Company will indemnify the Underwriters and their directors, officers, employees and shareholders against certain liabilities and expenses or will contribute to payments that the Underwriters may be required to make in respect thereof.

The Company has agreed in favour of the Underwriters that, during the period ending 90 days after the Closing Date, it will not, without the written consent of the Underwriters, on behalf of the Underwriters, such consent not to be unreasonably withheld, issue, agree to issue or announce an intention to issue any debt, Common Shares or any

securities convertible into or exchangeable for shares of the Company, except in connection with: (i) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Company and other share compensation arrangements, provided such options and other similar securities are granted or issued with an exercise price not less than the Issue Price; (ii) the exercise of outstanding warrants; and (iii) any transaction with an arm's length third party whereby the Company directly or indirectly acquires shares or assets of a business.

The Company has also agreed to use its best efforts to cause each of its directors and officers to enter into lock-up agreements to be executed concurrently with the closing of the Offering (in a form to be agreed upon by the Company and the Co-Lead Underwriters, on behalf of the Underwriters), pursuant to which each such person shall agree not to sell, transfer, pledge or otherwise dispose of any securities of the Company, subject to certain limited exceptions, during the period ending 90 days after the Closing Date.

The Offering is being made in the provinces of Ontario, British Columbia, Alberta and Saskatchewan. The Offered Units will be offered in each of the relevant provinces of Canada through those Underwriters or their affiliates who are registered to offer the Offered Units for sale in such provinces and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Offered Units in the United States and such other jurisdictions outside of Canada and the United States as agreed between the Company and the Underwriters.

Pursuant to policy statements of certain securities regulators, the Underwriters may not, throughout the period of distribution, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions including: (a) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities; (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities; or (c) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. Consistent with these requirements, and in connection with this distribution, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on the TSXV, in the over-the-counter market or otherwise.

Pursuant to the terms of the Underwriting Agreement, the Company has agreed to reimburse the Underwriters for certain expenses incurred in connection with the Offering.

The Company has received conditional approval to list the Unit Shares, the Unit Warrant Shares, the Compensation Shares and the Compensation Warrant Shares on the TSXV. Listing will be subject to the Company fulfilling all of the requirements of the TSXV.

Book-Based System

Other than Unit Shares and Unit Warrants issued to, or for the account or benefit of, U.S. persons and persons within the United States who are acquiring Unit Shares and Unit Warrants pursuant to the registration exemption in Rule 506(b) of Regulation D under the U.S. Securities Act ("**Regulation D**"), which will be issued in certificated form, registration of interests in, and transfers of, the Unit Shares and Unit Warrants will be made only through the book-based system of CDS. Unit Shares and Unit Warrants must be purchased and transferred only through a CDS Participant. All rights of an owner of Unit Shares must be exercised through, and all payments or other property to which such owner is entitled will be made or delivered by, CDS or the CDS Participant through which the owner holds such Unit Shares or Unit Warrants. Upon purchase of any Unit Shares or Unit Warrants, the owner (including a Qualified Institutional Buyer (as defined herein) who acquires Offered Units in the United States pursuant to the registration exemption in Rule 144A under the U.S. Securities Act, and who executes and delivers an undertaking letter agreeing to certain restricted security agreements in customary form) will receive only the customary confirmation. References in this Prospectus to a holder of Unit Shares or Unit Warrants means, unless the context

otherwise requires, the owner of the beneficial interest in such Unit Shares or Unit Warrants. Physical certificates evidencing Unit Shares and Unit Warrants will not be issued unless specifically requested or required.

The Company and the Underwriter will not have any liability for: (i) records maintained by CDS relating to the beneficial interests in the Unit Shares, Unit Warrants or the book-based accounts maintained by CDS; (ii) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or (iii) any advice or representation made or given by CDS and made or given with respect to the rules and regulations of CDS or any action taken by CDS or at the direction of the CDS Participants.

The ability of a beneficial owner of Unit Shares or Unit Warrants to pledge such Unit Shares or Unit Warrants or otherwise take action with respect to such owner's interest in such Unit Shares or Unit Warrants (other than through a CDS Participant) may be limited due to the lack of a physical certificate to the extent that such owner has not requested a physical certificate from the Company. The Company has the option to terminate registration of the Unit Shares and Unit Warrants through the book-based system in which case certificates for Unit Shares or Unit Warrants in fully registered form may be issued to beneficial owners of such Unit Shares or Unit Warrants or to their nominees.

United States Sales

The offer and sale of the Unit Shares and the Unit Warrants comprising the Offered Units offered hereby, and the Unit Warrant Shares issuable upon exercise of the Unit Warrants, have not been and will not be registered under the U.S. Securities Act or any state securities laws. The Unit Shares, the Unit Warrants and the Unit Warrant Shares issuable upon exercise of the Unit Warrants may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, a person in the United States or a U.S. person unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available.

Each Underwriter has agreed that, except as permitted by the Underwriting Agreement and as expressly permitted by applicable U.S. federal and state securities laws, it will not offer or sell the Offered Units at any time to, or for the account or benefit of, any person in the United States or any U.S. person as part of its distribution. The Underwriting Agreement permits the Underwriters, through their U.S. registered broker-dealer affiliates (the "**U.S. Affiliates**"), to: (a) re-offer and re-sell the Offered Units that they have acquired pursuant to the Underwriting Agreement to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in compliance with Rule 144A under the U.S. Securities Act (and pursuant to similar exemptions under applicable state securities laws), and (b) offer and sell the Offered Units on the Company's behalf to investors within the United States and to U.S. persons who, in each case, qualify as "accredited investors" as defined in Rule 501(a) of Regulation D ("**Accredited Investor**"), on a substituted-purchaser basis in accordance with Rule 506(b) of Regulation D. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Offered Units outside the United States to non-U.S. persons only in accordance with Rule 903 of Regulation S under the U.S. Securities Act.

The Offered Units, and the Unit Shares and the Unit Warrants comprising the Offered Units, that are offered or sold to, or for the account or benefit of, a person in the United States or a U.S. person, and any Unit Warrant Shares issued upon the exercise of such Unit Warrants, will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and will be subject to restrictions to the effect that such securities have not been registered under the U.S. Securities Act or any applicable state securities laws and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. **Please note that an exemption from registration under Rule 144 under the U.S. Securities Act for the resale of the Offered Units, the Unit Shares, the Unit Warrants and/or any Unit Warrant Shares is currently not available and may not be available in the future, if ever.**

The Unit Warrants and the Unit Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Unit Warrants will not be exercisable by or for the account or benefit of a person in the United States or a U.S. person, nor will certificates representing the Unit Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the

Company; provided, however, that a holder who is an Accredited Investor at the time of exercise of the Unit Warrants and who purchased Offered Units in transactions exempt from registration under the U.S. Securities Act and applicable state securities laws pursuant to the Offering will not be required to deliver an opinion of counsel in connection with the exercise of Unit Warrants that are a part of those Offered Units.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Units to, or for the account or benefit of, a person in the United States or a U.S. person. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Units, Unit Shares or Unit Warrants within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with exemptions from registration under the U.S. Securities Act and applicable state securities laws.

TRADING PRICE AND VOLUME

The Company's Common Shares are traded on the TSXV under the symbol "VPT". The following table sets out the price range and volume traded of the Common Shares on the TSXV on a monthly basis for the 12 month period prior to the date of this Prospectus.

	Price Ranges		Trading Volumes
	High (\$)	Low (\$)	
October 1 – 12, 2021	0.53	0.46	3,906,700
September 2021	0.63	0.37	23,787,800
August 2021	0.45	0.30	5,369,200
July 2021	0.36	0.28	6,455,100
June 2021	0.42	0.28	11,312,900
May 2021	0.50	0.38	20,923,800
April 2021	0.67	0.42	48,844,800
March 2021	0.59	0.34	46,181,200
February 2021	0.52	0.18	102,820,600
January 2021	0.24	0.08	98,994,900
December 2020	0.10	0.07	8,159,600
November 2020	0.11	0.07	9,354,700
October 2020	0.16	0.09	44,637,100
September 2020	0.14	0.08	21,543,700

On October 12, 2021, the last trading day prior to the filing of this Prospectus, the closing price of the Common Shares on the TSXV was \$0.475 per Common Share.

RISK FACTORS

An investment in the Units, as well as the Company's prospects, should be considered highly speculative and involves certain risks due to the nature of its business and the present stage of its development. Investors may lose their entire investment. When evaluating the Company and its business, investors should carefully consider all of the information contained and incorporated by reference in this Prospectus before purchasing any of the Units distributed under this Prospectus. Some of the factors described herein, in the documents incorporated or deemed incorporated by reference herein are interrelated and, consequently, investors should treat such risk factors as a whole. If any of the adverse effects set out in the risk factors described herein, or in another document incorporated

or deemed incorporated by reference herein occur, it could have a material adverse effect on the business, financial condition and results of operations of the Company.

The risks and uncertainties described or incorporated by reference herein are not the only ones the Company faces and should not be considered exhaustive. Additional risks and uncertainties, including those that the Company is unaware of or that are currently deemed immaterial, may also materially and adversely affect the business, operations and condition, financial or otherwise, of the Company. The Company cannot provide assurance that it will successfully address any or all of these risks. There is no assurance that any risk management steps taken will avoid future loss due to the occurrence of the adverse effects set out in the risk factors herein, or in the other documents incorporated or deemed incorporated by reference herein or other unforeseen risks.

These below risk factors, together with all other information included or incorporated by reference in this Prospectus, including, without limitation, the risks set out under the heading "Risk Factors" in the Annual Information Form and the information contained in the section "*Cautionary Note Regarding Forward-Looking Statements*" should be carefully reviewed and considered by investors. Investors should consult with their professional advisors to assess any investment in the Company.

Risk Factors Related to the Offering

Immediate Dilution

Purchasers who purchase Offered Units under this Prospectus may pay more for their Offered Units than the amounts paid by existing shareholders or securityholders of the Company. As a result, such purchasers in any offering made under this Prospectus may incur immediate and substantial dilution. Also, convertible securities have been issued by the Company at a lower price than the present market value of the Common Shares, consequently, purchasers who purchase Securities under this Prospectus may incur substantial dilution in the near future.

Negative Effect on Market Price of Issuances under this Prospectus

Subject to market conditions and the Company's capital needs, the Company may again seek to use any remaining availability under this Prospectus by making an offering of Offered Units covered for sale under this Prospectus. In addition, the Company may amend this Prospectus or file a new prospectus or undertake other financings to increase its potential access to capital.

Broad discretion of the Company in the use of the net proceeds from this Offering

Management of the Company will have broad discretion in the application of the net proceeds from the Offering and could spend the proceeds in ways that do not improve the Company results of operations or enhance the value of the Common Shares. The failure by the management of the Company to apply these funds effectively could result in financial losses that could have a material adverse effect on the Company's business, cause the price of the Common Shares to decline and delay the development of the Company's product candidates. The Company may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

Volatility of Share Price

Market prices for securities in general tend to fluctuate. In addition to general securities market conditions, factors such as the announcement (to the public, at science conferences or otherwise) of scientific or technologic innovations, new drugs, products, patents, the obtaining of exclusive rights by the Company or other companies, a change in regulations, publications, quarterly financial results, public concerns, future sales of Common Shares by the Company or current shareholders, the realization of any of the risks described herein and many other factors could have considerable repercussions on the price of Ventripoint's Common Shares.

Active Liquid Market for Common Shares

There may not be an active, liquid market for the Common Shares. There is no guarantee that an active trading market for the Common Shares will be maintained on the TSXV. Investors may not be able to sell their Common Shares quickly or at the latest market price if trading in the Common Shares is not active.

Warrants are Speculative in Nature and May Not Have Any Value

The Warrants do not confer any rights of Common Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Common Shares at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Unit Warrants may exercise their right to acquire Common Shares and pay an exercise price of \$0.70 per Unit Warrant Share, subject to certain adjustments, for a period of 60 months following the Closing Date, subject to acceleration, after which date any unexercised Unit Warrants will expire and have no further value. Moreover, following the completion of the Offering, the market value of the Unit Warrants, if any, is uncertain and there can be no assurance that the market value of the Unit Warrants will equal or exceed their imputed Issue Price.

Loss of Entire Investment

An investment in the Offered Units is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Company.

Future Sales of Common Shares by Existing Shareholders and the Company

The Company may issue additional Common Shares in the future, which will result in the then existing holders of Common Shares sustaining dilution to their relative proportion of the equity of the Company. The Company's articles permit the issuance of an unlimited number of Common Shares and shareholders will have no pre-emptive rights in connection with such further issuances. Also, additional Common Shares may be issued by the Company on the exercise of stock options and upon the exercise of previously issued share purchase warrants, including the Unit Warrants. The issuance of these additional equity Common Shares may have a similar dilutive effect on then existing holders of Common Shares.

The Market Price of the Common Shares is Volatile and May Not Accurately Reflect the Long-Term Value of the Company

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of Common Shares to sell their securities at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Common Shares.

Financial markets at times have experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil occur, the Company's operations could be adversely impacted and the trading price of the Common Shares may be materially adversely affected.

There can be no assurance that the Offering will be completed

The completion of the Offering is subject to the completion of definitive binding documentation and satisfaction of a number of conditions. There can be no certainty that the Offering will be completed.

Future Sales of Common Shares

The market price of the Common Shares could decline as a result of issuances by the Company or sales by its existing shareholders of Common Shares in the market after an offering made under this Prospectus, or the perception that these sales could occur. Sales by shareholders might also make it more difficult for the Company to sell equity securities at a time and price that it deems appropriate. All of the Common Shares that may be offered and issued under this Prospectus will be freely tradable without restriction under securities legislations in all provinces of Canada.

Dividends

The Company has paid no cash dividends on any of its Common Shares to date and currently intends to retain its future earnings, if any, to fund the development growth of its businesses. In addition, the terms of any future debt or credit facility may preclude the Company from paying any dividends unless certain consents are obtained and certain conditions are met.

No Market for the Warrants

There is currently no market through which the Unit Warrants may be sold and purchasers may not be able to resell the Unit Warrants purchased under this Prospectus. This may affect the pricing of the Unit Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of issuer regulation.

Holder of Warrants do not have shareholder rights until the Warrant is exercised

Until a Unit Warrant holder acquires Unit Warrant Shares upon exercise of their Unit Warrants, such Unit Warrant holder will have no rights with respect to the Unit Warrant Shares underlying such Unit Warrants. Upon exercise of such Unit Warrants, such Unit Warrant holder will be entitled to exercise the rights of a shareholder only as to matters for which the record date occurs after the exercise date.

Risks Related to the Company and its Business

General

The Company is exposed to business risks, both known and unknown, which may or may not affect its operations. Management works continuously to mitigate unacceptable risk, while still allowing the business to grow and prosper. These risk factors include the following:

A significant portion of product sales are dependent on key clients, open borders, international transportation systems, and access to raw materials.

The loss of a key customer, or restrictions on export, import, or international transportation of its products, raw materials or insufficient marketing resources, could materially impact revenue and profitability.

COVID-19 Pandemic

The Company's business may be negatively impacted by the COVID-19 pandemic, which has created, and continues to create, significant societal and economic disruptions. The changing and rapidly-evolving effects of the COVID-19 pandemic – the duration, extent and severity of which are currently unknown – on investors, businesses, the economy, government bodies, society and the financial markets could, among other things, add volatility to the global stock markets and change interest rate environments. The COVID-19 pandemic and measures to prevent its spread may negatively impact the Company, its customers, counterparties, employees, third-party service providers and other stakeholders, as applicable, in a number of ways, including, but not limited to, by: (i) adversely affecting the business operations of the Company, including the Company's planned sales and marketing processes for its approved products; (ii) disrupting the Company's supply chain, including the manufacture and/or delivery of its

products to its customers and distributors on which the Company relies; (iii) adversely affecting local, national or international economies and employment levels; (iv) causing business interruptions, including as a result of steps taken by the Company in compliance with government recommendations and orders, such as requiring employee to work remotely, which may cause strain on such existing resources as information technology systems, and suspension of all non-essential travel; (v) disrupting public and private infrastructure, including communications and financial services, which could disrupt the Company's normal business operations; (vi) disrupting health care delivery. At this point, the extent to which the COVID-19 pandemic will or may impact the Company is uncertain and these factors are beyond the Company's control; however, any of these events, in isolation or in combination, could have a material adverse effect on the Company's business, results of operations and financial condition and the market price of the Company's securities.

Additional Funding Requirements of the Company and Going Concern Risk.

The Company's success in raising new operating capital has enabled it to finalize its VMS+ development and implement initial commercialization strategies. The Company may require additional operating capital to sustain and grow the level of its operations and to further implement its commercialization strategies. The Company is in discussions with multiple parties related to its financing, development and commercialization efforts to secure sufficient additional capital and resources for commercialization of its VMS+ technology and to achieve cash flow break-even. The need, success and timing of additional financings and/or strategic relationships cannot be projected with any certainty and their ultimate success is necessary for the Company to continue operations and to achieve its near term commercial and development milestones.

Without sufficient additional capital being secured in a timely manner, Corporation operations may have to be curtailed; the result of which could render the Company unable to pursue commercialization of its products and services, or to continue its operations. There is no certainty whether the Company will generate significant revenues or attain profitable operations in the near term. As a result, there is a material uncertainty which creates significant doubt regarding the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its raising of future required capital, bringing its products to market and achieving and maintaining profitable operations. The outcome of these matters cannot be predicted at this time. Refer to the Financial Resources discussion above for recent funding developments.

The Company is Dependent on Key Personnel.

As a technology-driven company, intellectual input from key management and personnel is critical to achieve the Company's business objectives. Consequently, the Company's ability to retain these individuals and attract other qualified individuals is critical to the Company's success. The loss of the services of key individuals may significantly delay or prevent achievement of the Company's business objectives. In addition, because of a relative scarcity of individuals with the high degree of education, commercial experience and scientific achievement required for the Company's business, competition among life sciences companies, which increasingly includes medical imaging companies in Canada, for qualified employees is intense and, as a result, the Company may not be able to attract and retain such individuals on acceptable terms, or at all.

Incentive provisions for the Company's key executives include the granting of stock options that vest over time, which are designed to encourage such individuals to stay with the Company. However, a low share price, whether as a result of disappointing progress in the Company's sales or development programs or as a result of market conditions generally, could render the options of little value to the Company's key executives. In such event, the Company's key personnel could be susceptible to being hired away by its competitors who could offer a better compensation package. If the Company is unable to attract and retain key personnel, its business, financial conditions and results of operations may be adversely affected.

The Company's Product May Fail to Gain Market Acceptance.

The degree of market acceptance of the Company's products will depend on a number of factors, including those set out in further detail below. Even if any of the Company's products are initially accepted by the market, sales may thereafter decline for a number of reasons, including the introduction of a competing technology, change in market dynamics, regulatory changes, performance of any third parties engaged by the Company in connection with the

sale, distribution and marketing of the products, pricing and reimbursement developments and other factors. The Company may need to demonstrate a significant advantage over competing technologies in order to support product pricing and/or payor reimbursement.

In order to successfully commercialize the Company's products, it will be necessary to demonstrate to healthcare professionals, and hospitals that such products afford benefits to patients that are cost-effective as compared to the benefits of alternative diagnostic methods, such as MRI, many of which may be more established than those of the Company.

Lengthy Sales Cycles.

It is generally many months from the time of the decision of a cardiology team to acquire a VMS+3.0 system to generating a purchase order as a number of hospital service groups (biomedical engineering, IT, finance, etc.) must review the purchase. Therefore the sales cycle may be longer compared to companies in other industries. In the current economic environment it is not uncommon to see reduced spending by hospitals (see COVID19 discussion above). It may take many months for marketing opportunities to result in sales. If a customer's decision to purchase Ventripoint's product is delayed or if the evaluation of the product takes longer than originally anticipated, the date on which revenue can be recognized from these sales would be delayed. Such delays could cause revenues to be lower than expected in a particular period.

During these long sales cycles, events may occur that affect the size or timing of the order or even cause it to be cancelled. Purchasing decisions may be postponed, or large purchases reduced during periods of economic uncertainty. If these events were to occur, sales of the Company's products may be cancelled or delayed, and revenue, business and operating results would be materially adversely affected.

General Economic Conditions May Affect the Company's Business.

Recent events in the financial markets have demonstrated that businesses and industries throughout the world are very tightly connected to each other. Thus, financial developments seemingly unrelated to the Company or this industry may materially adversely affect the business over the course of time. Volatility in the market price of Ventripoint's Common Shares due to seemingly unrelated financial developments could hurt the ability of the Company to raise capital for the financing of acquisitions or other reasons.

The Company May be Unable to or Fail to Adequately Manage Growth.

Failure to manage growth successfully may adversely impact the Company's operating results. The ability to manage growth will require the continuation of building operational, financial and management controls, human resource policies, and reporting systems and procedures. The ability to manage growth will depend in large part upon a number of factors, including the ability to rapidly:

- expand the Company's internal operational and financial controls significantly, in order to maintain control over operations and provide support to other functional areas as the number of personnel and size of business increases;
- attract and retain qualified technical personnel in order to continue to develop reliable and flexible products and provide services that respond to evolving customer needs;
- build a sales team to keep customers and channel partners informed regarding the technical features, issues and key selling points of products and services;
- develop support capacity for customers as sales increase, to provide post-sales support; and
- build a network of channel partners to create an expanding presence in the evolving marketplace for the Company's products and services.

Inability to achieve any of these objectives could harm Ventripoint's business, financial condition and results of operations.

The Success of the Company Depends on Continued Operations and Capital.

Without sufficient additional capital being secured in a timely manner, Company operations may have to be curtailed; the result of which could render the Company unable to pursue commercialization of its products and services, or to continue its operations.

There is no certainty whether the Company will generate significant revenues or attain profitable operations in the near future and there can be no assurance that it will achieve profitability in the future, as it incurred a loss of \$2,053,618 and had a negative cash flow from operating activities of \$1,479,657 for the six months ended June 30, 2021, and has accumulated \$41,920,800 of losses as at June 30, 2021 (December 31, 2020 - accumulated losses of \$38,867,182). As a result, there is a material uncertainty which creates significant doubt regarding the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its raising of future required capital, bringing its products to market and achieving and maintaining profitable operations. The outcome of these matters cannot be predicted at this time.

Country Risk.

The Company could be at risk regarding any political developments in the country in which it operates. At present the Company is only active in Canada, Europe and the United States and China through a partner.

Potential Dilution of the Company's Shareholders.

The issue of common shares of the Company upon the exercise of the options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Risks Related to Conflicts of Interest.

Certain of the directors of the Company are also directors, officers or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Company will be required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the director will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The Company May be Unable to Maintain or Obtain Partnerships for One or More of its Potential Products.

The Company's strategy for the research, development and commercialization of its products may require it to enter into arrangements with corporate collaborators, licensors, licensees and others. Commercial success is dependent upon these outside parties performing their contractual responsibilities.

The amount and timing of resources that these outside parties will devote to these activities may not be within the Company's control. The Company cannot assure shareholders that such parties will perform any of their obligations as expected. The Company also cannot assure shareholders that its current or future collaborators will devote adequate resources to the Company's programs. There is a risk that the Company could become involved in disputes with its collaborators, which could result in a delay or termination of the related development programs. Such disputes could also result in litigation. The Company intends to seek additional collaborative arrangements to develop and commercialize some of its products. The Company may not be able to negotiate collaborative arrangements on favourable terms, or at all, in the future, and it cannot assure shareholders that its current or future collaborative arrangements will be successful.

If the Company cannot negotiate collaboration, licence or partnering agreements, the Company may not achieve profitability and may not be able to continue to develop its product candidates.

The Success of the Business Depends on Regulatory Approvals.

Medical device products are subject to laws and regulations in every country and those laws and regulations may differ from country to country. Compliance with such laws and regulations can require significant expenditures that may constrain the Company's ability to operate in the applicable jurisdiction. Likewise, a breach of legal or regulatory obligations could lead to suspension or revocation of the right to sell in a country, or other penalties, any of which will significantly and negatively impact the Company's position and competitiveness.

The Company's design and development, manufacturing, marketing, sales, and distribution depend on regulatory market approval of governing bodies for each geographic area in which its products are to be marketed, distributed or sold. Revocation or denial of regulatory approval will prevent the sale, distribution and marketing of products in an area.

Preparing, submitting and advancing applications for regulatory approval is complex and expensive. It entails significant uncertainty. A commitment of substantial resources to conduct research and trials may be required if the Company is to obtain regulatory approval for one or more of its products in one or more additional jurisdictions.

The Company's ability to generate revenue is dependent on the successful approval and marketing of its VMS+ products. Further, approval in one country does not assure approval in another country. In general, design and development and validation studies are required to demonstrate the safety and effectiveness of products before the Company can submit any regulatory market applications for approval.

Once regulatory market approvals are obtained, maintaining such status is often subject to ongoing compliance and reporting requirements. Failure to comply with the requirements or any failure to maintain the regulatory approvals would have a material adverse impact on the business, financial condition and operating results of the Company.

Maintaining our Regulatory Certifications for Company Quality Management System.

Medical device companies are subject to compliance with laws and regulations and conformance to standards in every country for quality management systems under which products are designed and developed and manufactured, and that may differ from country to country (i.e., ISO 13485 for Canada and Europe, and FDA Quality System Regulations for United States). Any breach of regulatory and quality obligations could lead to suspension or revocation of the right to sell in a country, or other penalties, any of which will significantly and negatively impact the Company's position, reputation and competitiveness.

The Company's design and development, manufacturing, marketing, sales, and distribution depend on maintaining certifications related to various standards and regulations for each geographic area in which its products are to be marketed, distributed or sold. Revocation or suspension of any of these certifications will prevent the sale, distribution and marketing of products in an area.

Maintaining a quality management system that is compliant to laws and regulations, and conforming with different standards is complex, expensive, and requires specialized personnel. A commitment of resources to maintain a QMS is required if the Company is to continue to market, distribute or sell any of its products in any jurisdiction.

The Company's ability to generate revenue is dependent on maintaining the requisite certifications and is subject to ongoing compliance, audits, and reporting requirements.

Failure to comply with the requirements or any failure to maintain the appropriate controls would have a material adverse impact on the business, financial condition and operating results of the Company.

The Company May Not Achieve its Projected Development Goals in the Time Frames the Company Announces and Expects.

The Company has set goals for and makes public statements regarding the expected timing of the accomplishment of objectives material to its success, such as the commencement and completion of market registrations, the partnership of its products and its ability to secure the financing necessary to continue the development of its products. The actual timing of these events can vary dramatically due to factors such as the uncertainties inherent in the regulatory approval process, market conditions and interest by partners in its products among other things. The Company cannot assure shareholders that its registration will be completed, that it will make regulatory submissions or receive regulatory approvals as planned, or that it will secure partnerships for any of its products. Any failure to achieve one or more of these milestones as planned would have a material adverse effect on its business, financial condition, and results of operations.

The Company is Dependent on One Technology.

The Company has one main technology related to Knowledge-Based Reconstruction (KBR) which includes proprietary databases and methods to create such databases. The failure of any of its products to achieve market penetration will have a negative impact on its financial condition and results of operations.

The Company's future products may infringe the intellectual property rights of others, or others may infringe on its intellectual property rights, which could increase its costs. The Company's success also depends on avoiding infringement of the proprietary technologies of others. In particular, there may be certain issued patents and patent applications claiming subject matter which the Company or its collaborators may be required to license in order to research, design and develop or commercialize its product candidates. In addition, based on patents or other intellectual property rights, third parties may assert infringement or other intellectual property claims against the Company. An adverse outcome in these proceedings could subject Ventripoint to significant liabilities to third parties, require disputed rights to be licensed from third-parties or require it to cease or modify its use of the technology. The Company cannot assure shareholders that in the event that the Company is required to license a technology, a license under such patents and patent applications will be available on acceptable terms or at all. Further, the Company may incur substantial costs defending itself in lawsuits against charges of patent infringement or other unlawful use of another's proprietary technology. The Company may also need to bring claims against others who the Company believes are infringing on its rights in order to become or remain competitive and successful.

The Company May be Subject to Product Liability Claims.

As a manufacturer and distributor of products designed to be used in healthcare, the Company faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant loss or injury albeit a low probability with the VMS+ devices as they are considered low to medium risk. In addition, the manufacture and sale of the Company's products involve the risk of injury due to tampering by unauthorized third parties. Previously unknown adverse reactions resulting from use of the Company's products alone or in combination with others could occur. The Company may be subject to various product liability claims.

A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on our results of operations and financial condition of the Company. There can be no assurances that the Company will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of products.

The Company May Face Product Recalls.

Manufacturers and distributors of medical device products are sometimes subject to the recall or return of their products for a variety of reasons, including product defects or potential defects that may be hazardous to health, fail to meet any claim made by the manufacturer about its effectiveness, benefits or safety, performance characteristics, or does not meet the requirements of the regulations in a particular jurisdiction. If any of the products produced by the Company are recalled due to an alleged product defect or for any other reason, the Company could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall.

The Company may also lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although the Company has detailed procedures in place for inspection and testing finished products, there can be no assurance that any quality problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits.

The Company and its Products May be Subject to Unfavourable Publicity or Customer Perception.

Customer perception of the Company's products can be significantly influenced by journal publications, conference presentations, regulatory investigations, litigation, media attention and other publicity. There can be no assurance that publications, conference presentations, regulatory proceedings, litigation, media attention, or publicity will be favourable to the Company's products, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research papers or publicity could have a material adverse effect on the demand for the Company's products and the business, results of operations, financial condition, and cash flows of the Company. The Company's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Company, the demand for products, and the business, results of operations, financial condition and cash flows of the Company.

The Company May be the Subject of Litigation.

From time to time, the Company may be the subject of litigation. Damages claimed under such litigation may be material or may be indeterminate. The outcome of such litigation may materially impact our financial condition or results of operations. While the Company assesses the merits of each lawsuit and defends itself accordingly, the Company may be required to incur significant expenses or devote significant resources to defend against litigation.

Third parties may own patents relating to competing products. Liability for damages may arise from potential claims by these companies that the Company has infringed their proprietary technology and may delay the development and commercialization of our products. Competitors in the healthcare industry could make such claims against the Company for strategic purposes. Defending patent litigation is time-consuming and costly and will negatively impact our financial condition and results of operations.

The Company's share price has been and may continue to be volatile and an investment in its common shares could suffer a decline in value.

A potential investor should consider an investment in the Company's common shares as risky. A potential investor should invest only if he or she can withstand a significant loss and wide fluctuations in the market value of the investment. Securities analysts pay only limited attention to the Company and the Company frequently experiences an imbalance between supply and demand for its common shares. The market price of its common shares has been highly volatile and may continue to be volatile. This leads to a heightened risk of securities litigation pertaining to such volatility.

Factors affecting its common share price include but are not limited to:

- Its financial performance and position and doubt as to whether the Company will be able to continue as a going concern;
- Its ability to raise additional capital;
- Its ability to maintain or obtain partnerships and collaborators to assist with the future development of its products;
- General market conditions;
- Announcements of technological innovations or new product candidates by the Company, its collaborators

or its competitors;

- Published reports by securities analysts;
- Developments in patent or other intellectual property rights;
- The cash and short-term investments held by the Company and its ability to secure future financing;
- Public concern as to the safety and efficacy of products that the Company and its competitors develop; and
- The level of shareholder interest in the Company's common shares.

Future sales of common shares by the Company or by its existing shareholders could cause its share price to fall.

If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. Sales by existing shareholders of a large number of its common shares in the public market and the issuance of shares issued in connection with strategic alliances, or the perception that such additional sales could occur, could cause the market price of its common shares to decline and have an undesirable impact on its ability to raise capital.

There is no assurance that an active trading market in the Company's common shares will be sustained.

The Company's common shares are listed for trading on the TSXV. The Company cannot assure shareholders that an active trading market in its common shares on the stock exchange will be sustained or that the Company will be able to maintain its listing.

Product Commercialization Requires Strategic Relationships.

To commercialize large market products in development, Ventripoint may need to establish and maintain strategic partnerships, joint ventures or licensing relationships with medical technology or diagnostics companies. It is possible the Company may be unable maintain such relationships or to negotiate mutually acceptable terms.

Risks Arising from Financial Instruments and Risk Management.

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk.

Credit Risk.

The Company's cash is held in accounts or short-term interest bearing accounts at one of the major Canadian chartered banks. Management perceives the credit risk to be low.

Market Risk and Foreign Currency Risk.

Market risk is the risk that changes in market prices, such as foreign exchange rates, will affect the Company's income or the value of its financial instruments. The Company's activities that result in exposure to fluctuations in foreign currency exchange rates consist of the sale of products and services to customers invoiced in foreign currencies and the purchase of services invoiced in foreign currencies. The Company does not use financial instruments to hedge these risks.

Liquidity Risk.

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial liability obligations as they become due. The Company has a planning and budgeting process in place to help determine the funds required

to support the normal operating requirements on an ongoing basis. The Company has financed its cash requirements primarily through issuance of securities, short-term borrowings, long-term debt and debentures. The Company controls liquidity risk through management of working capital, cash flows and the availability and sourcing of financing. Based on current funds available and expected cash flow from operating activities, management believes that the Company has sufficient funds available to meet its liquidity requirements for the foreseeable future. However, if cash from operating activities is significantly lower than expected, or if the Company incurs major unanticipated expenses, it may be required to seek additional capital in the form of debt or equity or a combination of both. Management's current expectations with respect to future events are based on currently available information and the actual outcomes may differ materially from those current expectations.

Ventripoint relies on third parties to manufacture and supply components for its products.

Currently, Ventripoint has manufacturing facilities to assemble its products. Except for any contractual rights and remedies which Ventripoint may have with any future third-party manufacturers and suppliers, Ventripoint may not have any control over the availability of these components, their quality, or cost. If, for any reason, Ventripoint is unable to obtain third-party components on commercially acceptable terms, it may not be able to manufacture its current products and future products.

Medical device manufacturers are subject to ongoing periodic unannounced inspections by Health Canada, the US FDA, and corresponding state and foreign agencies, including European agencies and their designees, to ensure strict compliance with GMPs and other government regulations. Ventripoint will not have complete control over its third-party suppliers' compliance with these regulations and standards. Failure by either Ventripoint's third-party suppliers or by Ventripoint to comply with applicable regulations could result in sanctions being imposed, including fines, injunctions, civil penalties, failure of the government to grant review of submissions or market approvals, delays, suspension, or withdrawal of approvals, product seizures or recalls, operating restrictions, facility closures and criminal prosecutions, any of which could negatively impact the business.

The regulatory approval processes of the US FDA, Health Canada, the European CE Mark, and regulators in other jurisdictions are lengthy, time-consuming, and inherently unpredictable. If the Company is unable to obtain regulatory approval for future iterations/models of its products in a timely manner, or at all, its business will be substantially harmed.

The regulatory approval process is expensive, and the time required to obtain regulatory market approval from the US FDA, Health Canada, European CE Mark, or other regulatory authorities in other jurisdictions to sell any medical device product is uncertain and may take years. Whether regulatory approval will be granted is unpredictable and depends upon numerous factors, including the substantial discretion of the regulatory authorities. Approval policies, regulations, or the type and amount of performance and validation data necessary to gain approval may change during the course of our products' development and may vary among jurisdictions. Moreover, regulatory submission data are often susceptible to varying interpretations and analyses, and even if the performance and validation studies show acceptable results, we cannot guarantee that the US FDA, Health Canada, European Notified Body or other regulatory authorities in other jurisdictions will consider the data adequate, and testing could be required before we submit a product for approval. To the extent that the results of our studies and clinical trials are not satisfactory to the US FDA, Health Canada, EU Notified Body or other regulatory authorities in other jurisdictions for support of a marketing application, approval of any product(s) we develop may be significantly delayed, or we may be required to expend significant additional resources, which may not be available to us, to conduct additional testing in support of potential approval of our product(s). It is also possible that any of our future products will ever obtain regulatory approval, even if we expend substantial time and resources seeking such approval. Our products could fail to receive regulatory market approval for many reasons, including the following:

- we may be unable to demonstrate that a product's clinical and other benefits outweigh its safety risks;
- the US FDA, Health Canada, EU Notified Body or other regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials

Even if we obtain approval for a particular product, regulatory authorities may grant approval contingent on the performance of costly post-approval clinical trials or may approve a product with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product.

In addition, because there may be approved devices for some of the applications for which we may seek approval, in order to receive regulatory approval, we may need to demonstrate in clinical trials that the product(s) we develop to address these applications are not only safe and effective but may need to be compared to existing products, which may make it more difficult for our product candidates to receive regulatory approval or adequate reimbursement.

We may expend our limited resources to pursue particular R&D opportunities and fail to capitalize on others that may be more profitable or for which there is a greater likelihood of success.

Because we have limited resources, we focus our R&D programs on advancements for specific applications (such as hypertension). As a result, we may forego or delay the pursuit of opportunities for other indications that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future R&D programs may not yield any commercially viable products.

Dependence on Collaborative Partners, Licensors, and Others.

We currently utilize technology that we have licensed, and technology developed by our own developers. In particular, we are dependent upon our license to use certain technology and knowhow provided under a license agreement with The University of Washington, for the development KBR-based products for cardiac analysis. While the Company's license is in good standing, they may be terminated by the licensor if there is a breach of the license agreement.

Our activities will require us to enter into various arrangements with corporate and academic collaborators, licensors, licensees, and others for the research, development, clinical testing, manufacturing, marketing, and commercialization of our products. We intend to attract partners and enter into additional research collaborations. There can be no assurance, however, that we will be able to establish such additional collaborations on favorable terms, if at all, or that our current or future collaborations will be successful. Failure to attract commercial partners for our products may cause us to incur substantial clinical testing, manufacturing, and commercialization costs prior to realizing any revenue from product sales or result in delays or program discontinuance if funds are not available in sufficient quantities. Should any collaborative partner fail to develop, manufacture, or successfully commercialize any product to which it has rights, or any partner's product to which we will have rights, our business may be adversely affected. Failure of a collaborative partner to continue to participate in any particular program could delay or halt the development or commercialization of products generated from such program. In addition, there can be no assurance that the collaborative partners will not pursue other technologies or develop alternative products either alone or in collaboration with others, including our competitors, as a means for developing treatments for the diseases targeted by our programs.

Furthermore, we may require licenses for certain technologies, and there can be no assurance that these licenses will be granted or, if granted, will not be terminated, or that they will be renewed on conditions acceptable to us. We intend to negotiate additional licenses in respect of technologies developed by other companies and academic institutions. Terms of license agreements to be negotiated may include, inter alia, a requirement to make milestone payments, which may be substantial. We will also be obligated to make royalty payments on the sales, if any, of products and payments on any sublicensing revenue derived from the licensed technology and, in some instances, may be responsible for the costs of filing and prosecuting patent applications.

We rely and will continue to rely on third parties to conduct some portions of our preclinical and clinical development activities. Preclinical activities include proof-of-concept and safety studies. Clinical development activities include trial design, regulatory submissions, clinical patient recruitment, clinical trial monitoring, clinical data management and analysis, safety monitoring, and project management. If there is any dispute or disruption in our relationship with third parties, or if they are unable to provide quality services in a timely manner and at a reasonable cost, our active development programs will face delays. Further, if any of these third parties fail to

perform as we expect or if their work fails to meet regulatory requirements, our testing could be delayed, canceled, or rendered ineffective.

Acquisitions, joint ventures, or other strategic transactions could disrupt our business, cause dilution to our shareholders and otherwise harm our business.

We actively evaluate various strategic transactions on an ongoing basis, including the acquisition of other businesses, products, or technologies as well as pursuing strategic alliances, joint ventures, licensing transactions, or investments in complementary businesses. Any of these transactions could be material to our financial condition and operating results and expose us to many risks, including:

- disruption in our relationships with collaborators or suppliers as a result of such a transaction;
- unanticipated liabilities related to acquired companies;
- difficulties integrating acquired personnel, technologies and operations into our existing business;
- retention of key employees;
- diversion of management time and focus from operating our business to pursuing strategic transactions and managing any such strategic alliances, joint ventures or acquisition integration challenges;
- dilution to our shareholders if we issue equity in connection with such transactions;
- increases in our expenses and reductions in our cash available for operations and other uses; and
- possible write-offs or impairment charges relating to acquired businesses, products or technologies.

Foreign acquisitions involve unique risks in addition to those mentioned above, including those related to integration of operations across different cultures and languages, currency risks, and the particular economic, political, and regulatory risks associated with specific countries. Also, the anticipated benefit of any strategic alliance, joint venture, or acquisition may not materialize. Future acquisitions or dispositions could result in potentially dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities, or amortization expenses or write-offs of goodwill, any of which could harm our financial condition. We cannot predict the number, timing, or size of future joint ventures or acquisitions, or the effect that any such transactions might have on our operating results.

Employee Misconduct or Other Improper Activities.

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include failures to comply with Health Canada, US FDA, or European regulations, provide accurate information to those agencies, comply with manufacturing standards we have established, comply with federal and state health-care fraud and abuse laws and regulations, report financial information or data accurately or disclose unauthorized activities to us. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a substantial impact on our business and results of operations, including the imposition of substantial fines or other sanctions.

Rapid Technological Change.

The medical technology industry is characterized by rapid and substantial technological change in the field of diagnostic imaging. There can be no assurance that developments by others will not render our proposed products or technologies non-competitive, or that we will keep pace with technological developments. Competitors have developed or are developing technologies that could be the basis for competitive products. Some of these products have an entirely different approach or means of accomplishing the desired outcome as compared with products to be developed by us and could be more effective and less costly than the products to be developed by us. In addition, alternative forms of medical treatment may be competitive with our products.

Competition.

Technological competition from medical technology companies and universities is intense and is expected to increase. Potential competitors for us have or may develop product development capabilities or financial, scientific, marketing, and human resources exceeding ours. Competitors may develop products before we can develop our products, obtain regulatory approval for such products more rapidly than us, or develop products which are more effective than those which we intend to develop. Research and development by others may render our proposed technology or products obsolete or non-competitive or produce treatments or cures superior to any therapy developed or to be developed by us, or otherwise preferred to any therapy developed by us.

Government Regulations.

Medical device companies operate in a high-risk regulatory environment. The manufacture and sale of therapeutic products are governed by numerous standards and regulations in the United States, Canada, Europe, and other countries where we intend to market our products. The subject matter of such legislation includes approval of manufacturing facilities, controlled research, design and development controls, and testing procedures, review, and approval of manufacturing, preclinical and clinical data prior to marketing approval, cybersecurity controls, as well as regulation of marketing activities, notably advertising and labeling.

The process of completing validation testing and obtaining required approvals is likely to take years and require the expenditure of substantial resources. Furthermore, there can be no assurance that the regulators will not require modification to any submissions, which may result in delays or failure to obtain regulatory approvals. Any delay or failure to obtain regulatory approvals could adversely affect our ability to utilize our technology, thereby adversely affecting our operations. Further, there can be no assurance that our product candidates prove to be safe and effective in clinical trials or receive the requisite regulatory approval. There is no assurance that we will be able to timely and profitably produce its products while complying with all the applicable regulatory requirements. Foreign markets, other than the United States and Canada, impose similar restrictions.

Ventripoint's quarterly results may fluctuate significantly and period-to-period comparisons of its results may not be meaningful.

Ventripoint's quarterly results, including the levels of future revenue, if any, its operating expenses and other costs, and its operating margins, may fluctuate significantly in the future, and period-to-period comparisons of its results may not be meaningful. This may be especially true to the extent that Ventripoint does not successfully establish a backlog of orders for its systems. Accordingly, the results of any one period should not be relied upon as an indication of Ventripoint's future performance. In addition, Ventripoint's quarterly results may not fully reflect the underlying performance of its business. Factors that may cause fluctuations in Ventripoint's quarterly results include, but are not limited to:

- the timing of regulatory approvals for its products;
- its ability to attract and retain its channel partners, customers and to expand its business;
- enacted or pending legislation and reimbursement rates effecting the healthcare industry;
- results of its clinical research efforts and positions of key opinion leaders;
- the impact of the relatively long sales cycle that is typical of customers in Ventripoint's industry, which are large hospitals and healthcare delivery organizations;
- the timing of Ventripoint's recognition of revenue and the mix of revenues during the period;
- the amount and timing of operating expenses and other costs related to the maintenance and expansion of its business, infrastructure and operations;
- the amount and timing of operating expenses and other costs related to the development or acquisition of

businesses, services, technologies or intellectual property rights;

- the timing and impact of security breaches, service outages or other performance problems with its technology infrastructure and software solutions;
- the timing and costs associated with legal or regulatory actions;
- changes in the competitive dynamics of its industry, including consolidation among competitors, channel partners or customers;
- loss of executive officers or other key employees;
- industry conditions and trends that are specific to the vertical markets in which Ventripoint sells or intends to sell its solutions;
- disruptions of or interference with its channel partners' services; and
- general economic and market conditions.

Fluctuations in quarterly results may negatively impact the value of the Common Shares, regardless of whether they impact or reflect the overall performance of its business.

Currency exchange rate fluctuations affect Ventripoint's results of operations, as reported in its financial statements.

Most of Ventripoint's future revenues will be transacted, in U.S. dollars. However, substantially all of the research and development and production expenses of Ventripoint's Canadian operations, as well as a portion of the cost of revenues, selling and marketing, and general and administrative expenses of its Canadian operations, are (or will be, as appropriate) incurred in Canadian dollars. As a result, Ventripoint will be exposed to exchange rate risks that may adversely affect its financial results. If the Canadian dollar appreciates against the U.S. dollar or if the value of the Canadian dollar declines against the U.S. dollar at a time when the rate of inflation in the cost of Canadian goods and services exceeds the rate of decline in the relative value of the Canadian dollar, then the U.S. dollar cost of Ventripoint's operations in Canada would increase and its results of operations would be adversely affected. Ventripoint's Canadian operations also could be adversely affected if it is unable to effectively hedge against currency fluctuations in the future. Ventripoint cannot predict any future trends in the rate of inflation in Canada or the rate of devaluation (if any) of the Canadian dollar against the U.S. dollar.

From time to time Ventripoint may engage in currency hedging activities. Those measures, however, may not adequately protect it from material adverse effects due to the impact of inflation in Canada or from fluctuations in the relative values of the U.S. dollar and the Canadian dollar, and may result in a financial loss.

If Ventripoint is not able to enhance or introduce new applications for its platform or other new products that achieve market acceptance and keep pace with technological developments, its business, results of operations and financial condition could be harmed.

Ventripoint's ability to attract new channel partners and customers and increase revenue from existing channel partners and customers depends in part on its ability to enhance and improve its applications for its optical tissue imaging platform, increase adoption and usage of Ventripoint's products and introduce new products and features. The success of any enhancements or new products depends on several factors, including timely completion, adequate quality testing, actual performance quality, market-accepted pricing levels, regulatory approvals and overall market acceptance and demand. Enhancements and new products that Ventripoint develops may not be introduced in a timely or cost-effective manner, may contain defects, may have interoperability difficulties, or may not achieve the market acceptance necessary to generate significant revenue. If Ventripoint is unable to successfully enhance existing platform and capabilities to meet evolving customer requirements, increase adoption and usage of

its platform, develop new products, or if its efforts to increase the usage of its products are more expensive than expected, then Ventripoint's business, results of operations and financial condition could be harmed.

The security of Ventripoint's platform and the applications Ventripoint develops for it, networks or computer systems may be breached, which could have an adverse effect on its business and reputation.

The software applications Ventripoint develops may be subject to computer malware, viruses and computer hacking, all of which have become more prevalent. Though it is difficult to determine what, if any, harm may directly result from any specific interruption or attack, they may include the theft or destruction of data owned by Ventripoint or its customers, and/or damage to its platform. Any failure to maintain the performance, reliability, security and availability of Ventripoint's products and technical infrastructure to the satisfaction of Ventripoint's customers may harm its reputation and its ability to retain existing customers and attract new users.

Ventripoint's procedures and safeguards that are designed to prevent security breaches and cyber-attacks may not be able to protect against all attempts to breach its systems, and Ventripoint may not become aware in a timely manner of any such security breach. Unauthorized access to or security breaches of Ventripoint's platform, network or computer systems or those of its technology service providers, could result in the loss of business, reputational damage, regulatory investigations and orders, litigation, indemnity obligations, damages for contract breach, civil and criminal penalties for violation of applicable laws, regulations or contractual obligations, and significant costs, fees and other monetary payments for remediation. If customers believe that Ventripoint's platform does not provide adequate security for the storage or transmission of critical information, its business will be harmed.

Any failure to properly train channel partners concerning the proper use of Ventripoint's products may adversely affect its ability to successfully deploy products and could ultimately harm its reputation and results of operations.

Ventripoint's ability to retain channel partners and end users, and attract new channel partners and end users, depends in part on its ability to properly train channel partners and ensure that they maintain a consistently high level of customer service and technical support. End users may depend on service support teams of channel partners to assist them in utilizing Ventripoint's products effectively and to help them to resolve issues quickly and to provide ongoing support. If Ventripoint is unable to ensure (whether contractually or practically) that its channel partners hire and train sufficient support resources, or if channel partners are otherwise unsuccessful in assisting end users effectively, it could adversely affect Ventripoint's ability to retain channel partners and end users and could cause prospective end users to refrain from adopting its products. Channel partners may be unable to respond quickly enough to accommodate short-term increases in demand for customer support. Ventripoint also may be unable to modify the nature, scope and delivery of its training and support to channel partners to compete with changes in the support services provided by competitors. Increased demand for such support, without corresponding revenue, could increase Ventripoint's costs and adversely affect its business, results of operations and financial condition. Ventripoint's sales are highly dependent on its business reputation and on positive recommendations from end users. Any failure to properly train channel partners, or if channel partners fail to maintain high-quality customer support to end users, or even a market perception that Ventripoint's solutions are not backed by high-quality customer support, could adversely affect Ventripoint's reputation, business, results of operations and financial condition.

If Ventripoint is unable to protect its intellectual property rights or if its intellectual property rights are inadequate to protect its technology, competitors could develop and commercialize technology similar to Ventripoint's, and Ventripoint's competitive position could be harmed.

Ventripoint will rely on a combination of patent and trademark laws, trade secret protection, confidentiality agreements and other contractual arrangements with its employees, channel partners and others to maintain its competitive position. In particular, Ventripoint's success depends, in part, on its ability to obtain and maintain patent protection for its products, technologies and inventions, maintain the confidentiality of its trade secrets and know-how, operate without infringing upon the proprietary rights of others and prevent others from infringing upon its proprietary rights. Despite Ventripoint's efforts to protect its proprietary rights, it is possible that competitors or other unauthorized third parties may obtain, copy, use or disclose its technologies, inventions, processes, or improvements. Moreover, other parties may independently develop similar or competing technology, methods, know-how or design around any patents that may be issued to or held by Ventripoint. Unauthorized parties may also

attempt to copy or reverse engineer proprietary aspects of Ventripoint's products. There is no assurance that Ventripoint's patents or other intellectual property rights will not be challenged, invalidated, or circumvented, or will otherwise provide meaningful protection. If Ventripoint's patents and other intellectual property do not adequately protect its technology, competitors may be able to offer products similar to Ventripoint's products. Competitors may also be able to develop similar technology independently or design around any patents granted to Ventripoint, and it may not be able to detect the unauthorized use of its proprietary technology or take appropriate steps to prevent such use. Any such activities by competitors that circumvent Ventripoint's intellectual property protection could subvert its competitive advantage and have an adverse effect on its results of operations.

Furthermore, filing, prosecuting, maintaining and defending patents on Ventripoint's solutions in all countries throughout the world would be prohibitively expensive, and its intellectual property rights in some countries outside the U.S. are less extensive than those in the U.S. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the U.S. Also, it may not be possible to effectively enforce intellectual property rights in some foreign countries at all or to the same extent as in the U.S. and other countries. Consequently, Ventripoint may be unable to prevent third parties from using its inventions in all countries, or from selling or importing products made using its inventions in the jurisdictions in which it does not have (or is unable to effectively enforce) patent protection. Competitors may use Ventripoint's technologies in jurisdictions where it has not obtained patent protection to develop, market or otherwise commercialize their own products, and Ventripoint may be unable to prevent those competitors from importing those infringing products into territories where Ventripoint has patent protection, but enforcement is not as strong as in the U.S.

The Company may be unable to obtain or enforce patents to protect its technologies from other companies with competitive products, and patents of other companies could prevent it from manufacturing, developing or marketing its products.

Patent Protection:

The patent positions of medical device companies with software are uncertain and involve complex legal and factual questions.

Allowable and patentable subject matter may differ between jurisdictions, as might the scope of patent protection obtainable. If a patent office allows broad claims, the number and cost of patent interference proceedings in the jurisdiction of the office may increase. The risk of infringement litigation may then increase for the same reason. If a jurisdiction narrows the claims allowed, the risk of infringement may decrease, but the value of the Company's rights under its patents, licenses and patent applications may also decrease.

The scope of the claims in a patent application can be significantly modified during prosecution before the patent is issued. As a result, the Company cannot know whether its pending applications will result in the issuance of patents or, if any patents are issued, whether they will provide it with significant proprietary protection. They could be circumvented, invalidated or found to be unenforceable.

Publication of discoveries in scientific or patent literature can often lag behind actual discoveries. As a result, patent applications filed in the U.S. generally will be published 18 months after the filing date unless the applicant certifies that the invention will not be the subject of a foreign patent application. In many other jurisdictions, such as Canada, patent applications are published 18 months from the priority date. The Company cannot assure shareholders that, even if published, the Company will be aware of all such literature. Accordingly, the Company cannot be certain that the named inventors of its products and processes were the first to invent that product or process or that the Company was the first to pursue patent coverage for its inventions.

Enforcement of Intellectual Property Rights:

It can be complex and costly to protect the rights revealed in published patent applications. The Company's commercial success depends in part on its ability to maintain and enforce its proprietary rights, but outcomes here can be uncertain. If third parties engage in activities that infringe the Company's proprietary rights, management's focus will be diverted, and the Company may incur significant costs in asserting its rights. The Company may not be

successful in asserting its proprietary rights, which could result in its patents being held invalid or a court holding that the third party is not infringing, either of which would harm its competitive position.

Other organizations may design around the Company's patented technology. The Company may have to participate in interference proceedings declared by the U.S. Patent and Trademark Office, European opposition proceedings, or other analogous proceedings in other parts of the world. These proceedings to determine priority of invention and the validity of patent rights granted or applied for could result in substantial cost and delay, even if the eventual outcome is favourable to the Company. The Company cannot assure shareholders that its pending patent applications, if issued, would be held valid or enforceable.

Trade Secrets:

The Company also relies on trade secrets and know-how, as well as confidentiality provisions in its agreements with its collaborators, employees and consultants to protect its intellectual property. However, the Company's counterparties may not comply with the terms of their agreements and the Company might be unable to adequately enforce its rights against these people or obtain adequate compensation for the damages caused by their unauthorized disclosure or use of trade secrets or know how. The Company's trade secrets or those of its collaborators may become known or may be independently discovered by others.

Product liability lawsuits against Ventripoint could result in substantial liabilities and limit commercialization of its products.

Because Ventripoint's initial product family will be used in hospital and clinical settings where real-time decisions are challenging and critical to delivering appropriate care, product malfunctions in this context create heightened risk of product liability lawsuits. A product liability or professional liability claim could result in substantial financial and reputational damages and be costly and time-consuming for us to defend.

Although Ventripoint maintains liability insurance, there is no assurance that Ventripoint's insurance would fully protect it from the financial impact of defending against these types of claims or any judgments, fines or settlement costs arising out of any such claims. Any liability claim, including an errors and omissions liability claim, brought against Ventripoint, with or without merit, could increase its insurance rates or prevent it from securing insurance coverage in the future. Additionally, any liability lawsuit could cause injury to Ventripoint's reputation or cause it to suspend sales of its products. The occurrence of any of these events could have an adverse effect on Ventripoint's business, reputation, results of operations and cash flows.

If Ventripoint fails to comply with applicable health information privacy and security laws, it may be subject to significant liabilities, reputational harm and other negative consequences, including decreasing the willingness of current and potential customers to work with Ventripoint.

Ventripoint is subject to data privacy and security regulation by both the U.S. federal government and the states in which it conducts its business. The Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), established uniform federal standards for "covered entities," which include certain healthcare providers, healthcare clearinghouses, and health plans, governing the conduct of specified electronic healthcare transactions and protecting the security and privacy of PHI. The HITECH Act makes HIPAA's security standards directly applicable to "business associates," which are independent contractors or agents of covered entities that create, receive, maintain, or transmit PHI in connection with providing a service for or on behalf of a covered entity. The HITECH Act also increased the civil and criminal penalties that may be imposed against covered entities, business associates and certain other persons, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce HIPAA's requirements and seek attorney's fees and costs associated with pursuing federal civil actions.

A portion of the data that Ventripoint will obtain and handle for or on behalf of certain of its clients is considered PHI, subject to world-wide regulations, i.e. United States HIPAA law, Canada's Personal Information Protection and Electronic Documents Act (PIPEDA), and Europe's General Data Protection Regulation (GDPR) law. Ventripoint will also be required to maintain similar business associate agreements with its subcontractors that have access to PHI of its customers in rendering services to Ventripoint or on its behalf. Under HIPAA and Ventripoint's

contractual agreements with its HIPAA-covered entity health plan customers, Ventripoint will be considered a "business associate" to those customers and are required to maintain the privacy and security of PHI in accordance with HIPAA and the terms of Ventripoint's business associate agreements with its clients, including by implementing HIPAA-required administrative, technical and physical safeguards. Ventripoint has incurred, and Ventripoint will continue to incur, significant costs to establish and maintain these safeguards and, if additional safeguards are required to comply with HIPAA regulations or its clients' requirements, Ventripoint's costs could increase further, which would negatively affect its operating results. Furthermore, there is no guarantee that such safeguards have been and will continue to be adequate. If Ventripoint has failed, or Ventripoint fails in the future, to maintain adequate safeguards, or Ventripoint or its agents or subcontractors use or disclose PHI in a manner prohibited or not permitted by HIPAA, Ventripoint's subcontractor business associate agreements, or its business associate agreements, or if the privacy or security of PHI that it obtains and handles is otherwise compromised, Ventripoint could be subject to significant liabilities and consequences, including, without limitation:

- breach of contractual obligations to clients, which may cause clients to terminate their relationship with Ventripoint and may result in potentially significant financial obligations to its clients;
- investigation by the federal and state regulatory authorities empowered to enforce HIPAA and other data privacy and security laws, which include the U.S. Department of Health and Human Services, the U.S. Trade Commission and state attorneys general, and the possible imposition of civil and criminal penalties;
- private litigation by individuals adversely affected by any misuse of their personal health information for which Ventripoint is responsible and/or breach notification related costs; and
- negative publicity, which may decrease the willingness of potential future customers to work with us and negatively affect its sales and operating results.

Further, Ventripoint will publish statements to end users of its services that describe how it handles and protects personal information. If federal or state regulatory authorities or private litigants consider any portion of these statements to be untrue, Ventripoint may be subject to claims of deceptive practices, which could lead to significant liabilities and consequences, including, without limitation, damage to its reputation and costs of responding to investigations, defending against litigation, settling claims and complying with regulatory or court orders.

Recent legal developments in Europe have created compliance uncertainty regarding certain transfers of personal data from Europe to the U.S. For example, the General Data Protection Regulation ("GDPR"), which came into application in the European Union ("EU") on 25 May 2018, applies to all of Ventripoint's activities conducted from an establishment in the EU or related to products and services that Ventripoint offers to EU users. The GDPR created a range of new compliance obligations which may cause Ventripoint to change its business practices, and significantly increased financial penalties for noncompliance (including possible fines of up to 4% of global annual turnover for the preceding financial year or €20 million (whichever is higher) for the most serious infringements).

Federal or state governmental authorities may impose additional data security standards or additional privacy or other restrictions on the collection, use, maintenance, transmission, and other disclosures of health information. Legislation has been proposed at various times at both the federal and the state level that would limit, forbid, or regulate the use or transmission of medical information outside of the U.S. Such legislation, if adopted, may render Ventripoint's use of off-shore partners for work related to such data impracticable or substantially more expensive. Alternative processing of such information within the U.S. may involve substantial delay in implementation and increased cost.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as at the date of this Prospectus, a summary of certain of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a holder who is a beneficial owner of an Offered Unit acquired pursuant to the Offering and who, for the purposes of the Tax Act and at all relevant times, (i) deals at arm's length with the Company, the Underwriters and the subsequent purchaser of a Unit Share, Unit Warrant or Unit Warrant Share (each, a "**Security**" and collectively, "**Securities**"), (ii) is not affiliated with the Company or the

Underwriters or a subsequent purchaser of a Security, and (iii) acquires and holds the Securities as capital property (the Unit Shares and Unit Warrant Shares hereinafter sometimes collectively referred to as "**Shares**"). A holder who meets all of the foregoing requirements is referred to as a "**Holder**" in this summary, and this summary only addresses such Holders. Generally, the Securities will be considered as capital property of a Holder thereof provided that the Holder does not hold or use the Securities in the course of carrying on a business of trading or dealing in securities and such Holder has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder (i) that is a "financial institution" for the purposes of the mark-to-market rules contained in the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii), an interest in which would be a "tax shelter investment" as defined in the Tax Act; (iv) that reports its "Canadian tax results" in a currency other than Canadian currency; (v) that is exempt from tax under Part I of the Tax Act; (vi) that is a partnership; (vii) that receives dividends on the Shares under or as part of a "dividend rental arrangement" as defined in the Tax Act; or (viii) that has entered into or will enter into a "derivative forward agreement" or "synthetic disposition arrangement", each as defined in the Tax Act, with respect to a Security. In addition, this summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of Offered Units. **Such Holders should consult their own tax advisors with respect to an investment in the Securities.**

This summary is based on the current provisions of the Tax Act in force as of the date hereof and counsel's understanding of the current published administrative and assessing practice of the Canada Revenue Agency (the "**CRA**"). This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account any changes in law or in the administrative policies or assessing practice of the CRA, whether by legislative, governmental or judicial decision or action, nor does it take into account or consider any provincial, territorial or foreign tax considerations, which considerations may differ significantly from the Canadian federal income tax considerations discussed in this summary.

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. All investors, including Holders, should consult their own tax advisors with respect to their particular circumstances.

Allocation of Cost

The total purchase price of an Offered Unit to a Holder must be allocated on a reasonable basis between the Unit Share and the Unit Warrant comprising an Offered Unit to determine the cost of each to the Holder for purposes of the Tax Act.

For its purposes, the Company intends to allocate \$0.42 of the subscription price of each Offered Unit as consideration for the issue of each Unit Share and \$0.10 of the subscription price of each Offered Unit as consideration for the issue of each Unit Warrant. Although the Company believes its allocation is reasonable, it is not binding on the CRA or the Holder, and no valuation or related opinion has been sought or obtained in this regard. The Holder's adjusted cost base of the Unit Share comprising a part of each Offered Unit will be determined by averaging the cost allocated to the Unit Share with the adjusted cost base to the Holder of all Common Shares (if any) owned by the Holder as capital property immediately prior to such acquisition.

Exercise of Warrants

The exercise of a Unit Warrant to acquire a Unit Warrant Share will be deemed not to constitute a disposition of property for purposes of the Tax Act. As a result, no gain or loss will be realized by a Holder upon the exercise of a Unit Warrant to acquire a Unit Warrant Share. When a Unit Warrant is exercised, the Holder's cost of the Unit Warrant Share acquired thereby will be equal to the aggregate of the Holder's adjusted cost base of such Unit Warrant and the exercise price paid for the Unit Warrant Share. The Holder's adjusted cost base of the Unit Warrant

Share so acquired will be determined by averaging the cost of the Unit Warrant Share with the adjusted cost base to the Holder of all Common Shares (if any) owned by the Holder as capital property immediately prior to such acquisition.

Holders Resident in Canada

The following section of this summary applies to Holders who, for the purposes of the Tax Act, are or are deemed to be resident in Canada at all relevant times ("**Resident Holders**") and this portion of the summary only addresses such Resident Holders.

Certain Resident Holders whose Shares might not otherwise constitute capital property may make, in certain circumstances, an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Shares, and every other "Canadian security" (as defined in the Tax Act) held by such persons, in the taxation year of the election and each subsequent taxation year, to be capital property. This election does not apply to Warrants. Resident Holders should consult their own tax advisors regarding this election.

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "*Capital Gains and Capital Losses*".

Dividends

Dividends received or deemed to be received on the Shares, if any, will be included in computing a Resident Holder's income. In the case of an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of "taxable dividends" received from "taxable Canadian corporations" (as defined in the Tax Act), including the enhanced gross-up and dividend tax credit in respect of "eligible dividends", if any, so designated by the Company to the Resident Holder in accordance with the provisions of the Tax Act. There may be restrictions on the Company's ability to designate any dividends as "eligible dividends", and the Company has made no commitments in this regard.

Dividends received or deemed to be received by a Resident Holder that is a corporation must be included in computing its income but may be deductible in computing its taxable income, subject to all restrictions and special rules under the Tax Act. A Resident Holder that is a "private corporation" (as defined in the Tax Act) and certain other corporations controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts) generally will be liable to pay a special tax under Part IV of the Tax Act (refundable in certain circumstances) on dividends received or deemed to be received on the Shares to the extent such dividends are deductible in computing taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain, and Resident Holders that are corporations should consult their own tax advisors in this regard.

Dispositions of Shares and Warrants

Upon a disposition (or a deemed disposition) of a Share (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by a member of the public in an open market) or a Warrant (other than a disposition arising on the exercise or expiry of a Warrant), a Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of such Security, as applicable, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base of such Security, as applicable, to the Resident Holder. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "*Capital Gains and Capital Losses*".

Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized in the year by such Resident Holder. Allowable capital losses in excess of taxable capital gains realized in a year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following taxation year against net taxable capital gains realized in such year, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of Shares by a Resident Holder that is a corporation may, in certain circumstances, be reduced by the amount of dividends received or deemed to have been received by it on such Shares. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns Shares or where a partnership or trust, of which a corporation is a member or a beneficiary, is a member of a partnership or a beneficiary of a trust that owns Shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) also may be liable to pay a special additional tax (refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act) for the year, which will generally include taxable capital gains.

Minimum Tax

Capital gains realized (or deemed to be realized), and dividends received (or deemed to be received) by a Resident Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act. Such Resident Holders should consult their own advisors with respect to the application of the minimum tax.

Holders Not Resident in Canada

The following section of this summary is generally applicable to Holders who, for the purposes of the Tax Act, and at all relevant times (i) are not, and will not be deemed to be, resident in Canada at any time while they hold the Securities, and (ii) do not use or hold, and are not deemed to use or hold, the Securities in carrying on a business in Canada. Holders who meet all of the foregoing requirements are referred to herein as "**Non-Resident Holders**", and this portion of the summary only addresses such Non-Resident Holders.

Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that carries on, or is deemed to carry on, an insurance business in Canada and elsewhere or that is an "authorized foreign bank" (as defined in the Tax Act). Such Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company are subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend unless such rate is reduced by the terms of an applicable tax treaty. Under the *Canada-United States Tax Convention* (1980), as amended (the "**Treaty**"), for example, the rate of withholding tax on dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder that is the beneficial owner of the dividend who is resident in the U.S. for purposes of the Treaty and entitled to benefits under the Treaty (a "**U.S. Holder**") is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.S. Holder that is a company beneficially owning at least 10% of the Company's voting shares). The Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (the "**MLI**"), of which Canada is a signatory, affects many of Canada's bilateral tax treaties, including the ability to claim benefits thereunder. Affected Non-Resident Holders should consult their own tax advisors in this regard.

Dispositions of Shares and Warrants

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of Shares or Warrants, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Share or Warrant, as applicable, constitutes or is deemed to constitute "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act at the time of disposition and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

If and provided that the Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV) at the time of disposition, the Shares and Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder at that time unless, at any time during the 60 month period ending at the time of the disposition, the following two conditions are simultaneously met: (i) one or any combination of (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm's length, or (c) partnerships in which the Non-Resident Holder or such non-arm's length person holds a membership interest (either directly or indirectly through one or more partnerships), owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of such shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource property" (as defined in the Tax Act), "timber resource property" (as defined in the Tax Act) or an option in respect of, an interest in or for civil law a right in or to such property, whether or not such property exists. Notwithstanding the foregoing, a Share or Warrant may also be deemed to be taxable Canadian property to a Non-Resident Holder under other provisions of the Tax Act.

A Non-Resident Holder's capital gain (or capital loss) in respect of Shares or Warrants that constitute or are deemed to constitute taxable Canadian property (and are not "treaty-protected property" as defined in the Tax Act) will generally be computed and subject to tax in the manner described above under the subheadings "*Holders Resident in Canada – Dispositions of Shares and Warrants*" and "*Holders Resident in Canada – Capital Gains and Capital Losses*".

Non-Resident Holders who may hold Shares or Warrants as taxable Canadian property should consult their own tax advisors in this regard.

LEGAL MATTERS

Certain Canadian legal matters relating to the offering of Units under this Prospectus will be passed upon by Boyle & Co. LLP on behalf of the Company and by Bennett Jones LLP on behalf of the Underwriters.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditors are BDO Canada LLP, Chartered Professional Accountants, 903 – 8th Avenue SW, Suite 620, Calgary, Alberta, T2P 0P7. The auditors are independent with respect to the Company within the meaning of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Alberta.

The Company's transfer agent and registrar is Computershare Trust Company of Canada, 800-324 8th Avenue SW, Calgary, Alberta, T2P 2Z2.

INTEREST OF EXPERTS

Name of Experts

The following are the persons or companies who were named as having prepared or certified a statement, report or valuation in this Prospectus either directly or in a document incorporated by reference and whose profession or business gives authority to the statement, report or valuation made by the person or company:

- BDO Canada LLP, the Company's independent auditors, prepared an independent audit report dated May 2, 2021 in respect of the Company's audited consolidated financial statements incorporated by reference for the years ended December 31, 2020 and 2019;
- Boyle & Co. LLP, the Company's legal counsel; and
- Bennett Jones LLP, the Underwriters' legal counsel.

Interests of Experts

BDO Canada LLP has confirmed that they are independent with respect to the Company within the meaning of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Alberta.

As at the date hereof, the "designated professionals" (as such term is defined in Form 51-102F2 – *Annual Information Form*) of Boyle & Co. LLP and Bennett Jones LLP beneficially own, directly or indirectly, less than one percent of the outstanding Common Shares and holds no other securities of the Company.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities.

This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the short form prospectus is limited, in certain provincial securities legislation, to the price at which the Warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the Warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Date: October 13, 2021

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of the provinces of Ontario, British Columbia, Alberta and Saskatchewan.

/s/ George Adams
Chief Executive Officer

/s/ Vic Hugo
Chief Financial Officer

On behalf of the Board of Directors

/s/ Robert Hodgkinson
Director

/s/ Peter Weichler
Director

CERTIFICATE OF UNDERWRITERS

Date: October 13, 2021

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of all of the provinces of Ontario, British Columbia, Alberta and Saskatchewan.

LEEDE JONES GABLE INC.

By: */s/ Jim Dale*
Title: Chief Executive Officer

STIFEL NICOLAUS CANADA INC.

By: */s/ Justin Oliver*
Title: Director Investment Banking