

VITALHUB CORP.

(the “Company”)

ANNUAL INFORMATION FORM

Year ended December 31, 2018

September 16, 2019

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Forward-Looking Information

This Annual Information Form (“AIF”) may contain forward-looking information that involves material assumptions and known and unknown risks and uncertainties, certain of which are beyond the Company’s control. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Such assumptions, risks and uncertainties include those risk factors more fully described herein.

The Company’s performance could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if they do so, what benefits the Company will derive there from. The forward-looking information is made as of the date of this AIF and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Corporate Structure

Name, Address and Incorporation

The name of the company is VitalHub Corp. The Company was incorporated under the *Ontario Business Corporations Act* on February 24, 2010 and commenced operations at that time. The Company's registered and principal business office is 480 University Avenue Suite 1001 Toronto, Ontario M5G 1V2.

Intercorporate Relationships

The following chart represents the inter-corporate relationships of the Company and its subsidiaries.

| Subsidiary | Percentage of votes attaching to all voting securities of the subsidiary beneficially owned, or controlled or directed, directly or indirectly, by the Company | Percentage of each class of restricted securities of the subsidiary beneficially owned, or controlled or directed, directly or indirectly, by the Company | Jurisdiction of Incorporation |
|-----------------------------|---|--|--------------------------------------|
| B Sharp Technologies Inc. | 100 | NA | Ontario |
| B Sharp Lanka (PVT) Ltd. | 100 | NA | Sri Lanka |
| H.I.Next Inc. | 100 | NA | Ontario |
| H.I.Next LLC | 100 | NA | Maryland |
| Roxy Software Inc. | 100 | NA | Ontario |
| The Oak Group (UK) Limited. | 100 | NA | England and Wales |

General Development of the Business

The Company develops and supports mission-critical healthcare information systems in the mental health, long term care, community health service, home health and hospital sectors. The technologies include blockchain, mobile, patient flow, and web-based assessment and electronic healthcare record solutions. In 2016, VitalHub Corp., a private company, transitioned to become a public company by closing a qualifying transaction and completing an initial public offering. The Company is incorporated and domiciled in Canada, with its shares traded on the TSX Venture Exchange under the symbol “VHI”.

The Company has a two-pronged approach to growth, targeting organic growth opportunities within its product suite, and pursuing an aggressive M&A strategy.

Since 2016, the Company has completed five acquisitions.

- B-Sharp Technologies, focused on solutions for Mental Health was acquired, adding 5 products and a 32-person offshore development team to VitalHub
- H.I. Next Inc, a web-based EHR platform tailored to Behavioural and Mental Health, Community, and Primary Care. The customer base of H.I. Next included US customers
- Clarity Health, delivering Ontario Mental Health based assessments
- Roxy Software Inc., a SaaS-based software solution for Community Health
- The Oak Group, delivering patient flow solutions to customers in the UK, Canada, Australia, and Qatar

VitalHub Corp. now has six wholly owned subsidiaries: B Sharp Technologies Inc., B Sharp Lanka (PVT) Ltd., H.I.Next Inc., H.I.Next LLC, Roxy Software Inc., and The Oak Group (UK) Limited.

The Company is a software consolidator focused on Digital Health Solutions. The strategy is to rapidly increase growth and profitability by combining like software companies focused on Healthcare IT, through a combination of factors. R&D spend will be reduced by moving development to the VitalHub Innovation Lab in Colombo, Sri Lanka. General and Administrative functions will be consolidated, resulting in cost savings. VitalHub will cross-sell its products into the install bases of the merged companies and will optimize sales and marketing processes across the organization, which will also drive organic sales growth.

The Company signed a significant agreement with the Province of Nova Scotia for its client management software. The five-year agreement, with options to extend for five additional years, represents contract value of approximately \$9 million (CAD) over the initial term including a combination of recurring license revenue and professional services. This agreement is a material event for VitalHub in terms of revenue, and also significant in that it is a demonstration of sales execution capability that will be integral to the Company’s organic growth.

In 2019, the Company completed a non-brokered private placement which led to Francis Shen, founder, former Chairman and co-CEO of Aastra Technologies Limited being appointed to the VitalHub Board of Directors. Mr. Shen, who has significant expertise in M&A, chairs the Company’s new M&A Committee, examining M&A strategy and initiatives.

Description of the Business

VitalHub and its subsidiaries develop and support mission-critical healthcare information systems in the Mental Health (Child, Youth and Adult), Long Term Care, Community Health Service, Home Health and Hospital sectors. VitalHub technologies include Blockchain, Mobile, Patient Flow, and Web-Based Assessment and EHR solutions.

VitalHub's aim is to create high value, secured solutions enabling interoperability among existing health data systems. VitalHub is primarily focused on working with organizations in the Mental Health, Acute and Long-Term Care space, to further extend organizations' applications across the continuum of care.

The Company has a robust two-pronged growth strategy, targeting organic growth opportunities within its product suite, and pursuing an aggressive M&A plan. By combining like software companies focused on Healthcare IT, growth and profitability will be increased. R&D spend will be reduced by moving development into the VitalHub Innovation Lab located in Sri Lanka. This offshore development team is a wholly owned subsidiary of the Company, critical to the strategy of providing cost and development technology synergies. General and Administrative functions will be consolidated, resulting in cost savings. VitalHub will cross-sell its products into the install bases of the merged companies and will optimize sales and marketing processes across the organization, which will also drive organize sales growth. In addition, R&D is focused on building mobile solutions and apps. Currently, VitalHub serves 200+ customers across North America, Australia, the UK, and the Middle East.

VitalHub is based in Toronto, Canada, with an offshore development hub, its subsidiary the VitalHub Innovation Lab, in Sri Lanka. The Company is publicly traded on the TSX Venture Exchange under the symbol "VHI".

Since 2016, the Company has completed five acquisitions:

- B-Sharp Technologies, focused on solutions for Mental Health, adding 5 products and a 32-person offshore development team to VitalHub
- H.I. Next Inc, a web-based EHR platform tailored to Behavioural and Mental Health, Community, and Primary Care. The customer base of H.I. Next includes US customers.
- Clarity Health, delivering Ontario Mental Health based assessments
- Roxy Software Inc., a SaaS-based software solution for Community Health
- The Oak Group Inc., providing patient flow solutions to customers in the UK, Canada, Australia, and Qatar

The Company's offerings serve a large addressable market in Digital Health Solutions. The focus has been on the Hospital, Mental Health, and Long-Term Care space. VitalHub is a leader in Mental Health in Ontario. More recently, the Company focus has expanded to the Patient Flow market through the acquisition of The Oak Group.

VitalHub has a seasoned management team with extensive healthcare IT experience. The leadership team has over 200 years of combined experience in healthcare and technology, including founding and operating healthcare software companies. VitalHub has 40 employees in its Toronto headquarters. In addition, VitalHub operates R&D in Sri Lanka, with a 40 member offshore development team, resulting in a significantly reduced and competitive cost structure, as well as other synergies.

The Company sells and markets its solutions in specific geographies, through a seasoned team of sales leaders and inside sales reps. Marketing through social media and online presence, events and trade shows, webinars, and customer referrals supports the sales team and helps drive organic growth.

Revenue was comprised as follows in the two most recent years:

| | 2017 | 2018 |
|--------------------|------------------|------------------|
| Perpetual Licenses | 11,387 | 2,578,495 |
| Recurring | 1,135,003 | 4,373,205 |
| Services and other | 1,146,390 | 2,162,140 |
| Total | 2,292,780 | 9,113,840 |

Competition varies for the different products that the Company markets and sells. Primarily, they are niche products sold in niche markets, and the acquisitions have targeted the market leaders meaning there is very little competition in these markets. The acquisition targets have been mature companies, with a stable recurring revenue stream. In the patient flow market, which the Company has entered via the acquisition of The Oak Group, there is significant opportunity for growth. The Oak Group acquisition represents an opportunity for international sales and distribution, with customers already in four countries. The Company will put significant emphasis on organic growth in the patient flow area. There is competition from some niche players, as well as the large HIS (Hospital Information Systems) vendors. The Company will focus on government-funded healthcare systems, such as the UK, Australia, Canada, the Middle East, and others.

All VitalHub products are developed internally in Canada, Sri Lanka and the United Kingdom. All implementation and support services are provided directly by the Company. The VitalHub team has strong domain expertise, with seasoned veterans in healthcare technology. Customer retention is very positive at 97%.

As of June 30, 2019, recurring revenue currently accounts for 46.5% of the Company's revenue stream (December 31, 2018 – 48%). This percentage is expected to increase as more acquisitions are completed, and organic growth continues.

The Company has recently introduced a new blockchain product, WellLinc. This product is a proprietary electronic health record (EHR) interoperability solution powered by blockchain technology, and is currently being implemented at a group of hospitals in Southern Ontario. This product is expected to contribute significantly to VitalHub's revenue going forward, with anticipated adoption of WellLinc globally, initially in Mental Health and then expanding to other areas of healthcare.

Risk Factors

The risks set out below are not an exhaustive description of all of the risks associated with the business of the Company, and the drug and natural health products industry generally. It is believed that these are the factors that could cause actual results to be different from expected and historical results. These risk factors should be read in conjunction with other disclosure documents of the Company which are publicly available and which include additional factors that could have an effect on the business and financial performance of the Company. Additional risks and uncertainties not presently known or currently deemed immaterial may also impair business operations. Any of the following risks could materially and adversely affect the Company's business, financial condition and results of operations.

The annual revenue and operating results of VitalHub can be difficult to predict and can fluctuate substantially, which may harm or distort results of operations.

VitalHub's revenue is difficult to forecast and is likely to fluctuate significantly from quarter to quarter. In addition, operating results may not follow any past trends. The factors affecting revenue and results, many of which are outside of VitalHub's control, include:

- Competitive conditions in the industry, including new products, product announcements and special pricing offered by competitors
- Market acceptance of products
- Ability to hire, train and retain sufficient qualified sales and professional services staff
- Ability to complete service obligations related to product sales in a timely manner
- Varying size, timing and contractual terms of orders for products, which may delay the recognition of revenue
- Ability to maintain existing relationships and to create new relationships to assist with sales and marketing efforts
- The discretionary nature of hospital purchase and budget cycles and changes in their budgets for, and timing of, software and related purchases
- The length and variability of the sales cycles
- Strategic decisions by VitalHub or competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy
- General weakening of the economy resulting in a decrease in the overall demand for computer software and services
- Changes in VitalHub pricing policies and the pricing policies of VitalHub's competitors;
- Timing of product development and new product initiatives
- Changes in the mix of revenue attributable to substantially lower-margin service revenue as opposed to higher margin product license revenues
- Cancellation of recurring monthly software contracts

Because VitalHub's annual revenue is dependent upon a relatively small number of transactions, even minor variations in the rate and timing of conversion of sales prospects into revenue could cause the plan or budget to be inaccurate, and those variations could adversely affect financial results. Delays, reductions in the amount, or cancellations of customers' purchases would adversely affect VitalHub revenues, results of operations and financial condition.

VitalHub may need additional financing in order to support its operations, make further investments, or take advantage of unanticipated opportunities.

The ability of VitalHub to arrange financing in the future will depend in part upon prevailing capital market conditions, as well as its business success. There can be no assurance that VitalHub will be successful in its efforts to arrange additional financing on satisfactory terms.

If additional financing is raised by the issuance of shares or other forms of convertible securities from treasury, control of VitalHub may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, then VitalHub may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

VitalHub may be unable to identify and complete acquisitions. Acquisitions could divert Management's attention and financial resources, may negatively affect operating results and could cause significant dilution to shareholders.

VitalHub has, and in the future may continue to, engage in selective acquisitions of complementary products or businesses. There is a risk that VitalHub will not be able to identify suitable acquisition candidates available for sale at reasonable prices, complete any acquisition, or successfully integrate any acquired product or business into

its operations. VitalHub is likely to face competition for acquisition candidates from other parties including those that have substantially greater available resources. Acquisitions may involve a number of other risks, including:

- Diversion of management's attention
- Disruption to ongoing business
- Failure to retain key acquired personnel
- Difficulties in integrating acquired operations, technologies, products or personnel
- Unanticipated expenses, events or circumstances
- Assumption of disclosed and undisclosed liabilities
- Inappropriate valuation of the acquired in-process research and development, or the entire acquired business

If VitalHub does not successfully address these risks or any other problems encountered in connection with an acquisition, the acquisition could have a material adverse effect on the business, results of operations and financial condition. Problems with an acquired business could have a material adverse effect on the performance of the business as a whole. In addition, if VitalHub proceeds with an acquisition, available cash may be used to complete the transaction, diminishing liquidity and capital resources, or shares may be issued which could cause significant dilution to existing shareholders.

The industry in which VitalHub operates is highly competitive and competition could intensify, or any technological advantages held by VitalHub may be reduced or lost, as a result of technological advances by its competitors. If VitalHub does not compete effectively with these competitors, its revenue may not grow.

VitalHub has experienced competition from a number of software companies and expects it to continue in the future. VitalHub's competitors may announce new products, services or enhancements that better meet the needs of customers or changing industry standards. Increased competition may cause price reductions, reduced gross margins and reduced growth in sales, any of which could have a material adverse effect on the business, results of operations and financial condition of VitalHub. VitalHub faces substantial competition from established competitors, many of which may have greater financial, engineering, manufacturing and marketing resources than it does. Many of these companies also have a larger installed base of users, have longer operating histories or have greater name recognition than VitalHub does. There can be no assurance that VitalHub will successfully differentiate its current and proposed products from the products of its competitors, or that the marketplace will consider the products of VitalHub, to be superior to competing products.

To maintain VitalHub's competitive position, it is believed that VitalHub will be required to continue a high level of investment in engineering, research and development, marketing and customer service and support. There can be no assurance that VitalHub will have sufficient resources to continue to make these investments, that it will be able to make the technological advances necessary to maintain its competitive position, or that its products will receive market acceptance. VitalHub's competitors may be able to respond more quickly to changes in customer requirements and devote greater resources to the enhancement, promotion and sale of their products. VitalHub may not be able to compete successfully in the future, and increased competition may result in price reductions, reduced profit margins, loss of market share and an inability to generate cash flows that are sufficient to maintain or expand its development of new products.

The success of the business of VitalHub is dependent upon its ability to develop new products and enhance existing products.

To keep pace with technological developments, satisfy increasingly sophisticated customer requirements and achieve market acceptance, VitalHub must enhance and improve existing products and must also continue to introduce new products and services. If VitalHub is unable to successfully develop new products or enhance and improve existing products or it fails to position and/or price its products to meet market demand, the business and operating results of VitalHub will be adversely affected. Accelerated product introductions and short product life cycles require high levels of expenditures for research and development that could adversely affect operating results. Further, any new products could require long development and testing periods and may not be introduced in a timely manner or may not achieve the broad market acceptance necessary to generate significant revenue.

If VitalHub is required to change its pricing models to compete successfully, margins and operating results may be adversely affected.

The intensely competitive market in which VitalHub operates may require that prices be reduced. If competitors offer deep discounts on certain products or services in an effort to recapture or gain market share or to sell other software products, VitalHub may be required to lower prices or offer other favourable terms to compete successfully. Any such changes would be likely to reduce margins and could adversely affect operating results. Some competitors may bundle software products that compete with VitalHub products for promotional purposes or as a long-term pricing strategy or provide guarantees of prices and product implementations. These practices

could, over time, limit the prices that VitalHub can charge for its products. If VitalHub cannot offset price reductions with a corresponding increase in the number of sales or with lower spending, then the reduced software license revenue resulting from lower prices would adversely affect margins and operating results.

VitalHub may not be able to successfully develop and maintain strategic relationships to sell and implement its products.

VitalHub has or is developing relationships with third-party systems integrators, software and hardware vendors. These third parties may provide VitalHub with customer referrals, cooperate in marketing VitalHub's products and provide its customers with systems implementation services or additional complementary products. However, VitalHub does not have formal agreements governing ongoing relationships with certain of these third-party providers and the agreements in place generally do not include obligations with respect to generating sales opportunities or co-operating on future business. Should any of these third parties go out of business or choose not to work with VitalHub, the company may be forced to increase the development of those capabilities internally, incurring significant expense and adversely affecting operating margins. These third-party providers may work with other companies which have products that compete with the VitalHub products. VitalHub could lose sales opportunities if it fails to work effectively with these parties or they choose not to work with VitalHub.

The operations of VitalHub could be negatively affected if it loses key executives or employees or is unable to attract and retain skilled executives and employees as needed.

The business and future operating results of VitalHub depend in part upon its ability to attract and retain qualified management, technical, sales, marketing, and support personnel. This is crucial to the ability of VitalHub to develop, market, and support its products and services. The loss of key personnel could negatively impact VitalHub's business, results of operations, and financial condition. The success of VitalHub is also highly dependent on its continuing ability to identify, hire, train, motivate and retain highly qualified management, technical, sales and marketing personnel. Competition for such personnel can be intense, and no assurance can be made that VitalHub will be able to attract or retain highly qualified technical and managerial personnel in the future. The inability to attract and retain the necessary management, technical, sales and marketing personnel may adversely affect the future growth and profitability of VitalHub. It may be necessary to increase the level of compensation paid to existing or new employees to a degree that operating expenses could be materially increased.

Errors in VitalHub products could result in significant costs to VitalHub and could impair its ability to sell its products.

VitalHub products are complex and, accordingly, they may contain errors, or "bugs", that could be detected at any point in their product life cycle. The reputation of VitalHub could be materially and adversely affected by errors in the products. These errors could result in significant costs to VitalHub, delay planned release dates and impair the ability to sell products in the future. The costs incurred in correcting any product errors may be substantial and could adversely affect operating margins. While VitalHub plans to continually test its products for errors and work with customers through maintenance support services to identify and correct bugs, errors in the products may be found in the future.

A successful product liability claim against VitalHub could seriously harm the business.

The license agreements that VitalHub enters into with its customers typically contain provisions designed to limit the exposure VitalHub has to potential product liability claims. Despite this, it is possible that these limitations of liability provisions may not be effective as a result of existing or future laws or unfavourable judicial decisions. VitalHub has not experienced any product liability claims to date. However, the sale and support of VitalHub products may entail the risk of those claims, which are likely to be substantial in light of the use of the products in critical applications. A successful product liability claim could result in significant monetary liability and a serious disruption of the business.

Economic uncertainty and downturns in the software market may lead to decreases in the revenue and margins of VitalHub.

The market for VitalHub's products depends on economic conditions affecting the broader software market. Downturns in the economy may cause hospitals to delay or cancel software projects, reduce their overall information technology budgets or reduce or cancel orders for VitalHub products. This may lead to longer sales cycles, delays or failures in payment and collection, and price pressures, causing VitalHub to realize lower revenue and margins.

VitalHub may lose sales or sales may be delayed due to the long sales cycles for its products.

Hospitals typically invest substantial time, money and other resources researching their needs and available competitive alternatives before deciding to license software products. Typically, the larger the sale, the more time, money and other resources will be invested. As a result, it may take many months after VitalHub first has contact with a potential customer before a sale can actually be completed. VitalHub may invest significant sales and other resources in a potential customer that may not generate revenue for a substantial period of time, if at all. The time required for implementation of VitalHub products varies among its customers and may last several months, depending on the customers' needs and the products deployed. During these long sales and implementation cycles, events may occur that affect the size or timing of the order or even cause it to be cancelled. For example:

- Purchasing decisions may be postponed, or large purchases reduced, during periods of economic uncertainty
- VitalHub or its competitors may announce or introduce new products; or
- The customer's budget and purchasing priorities may change

If these events were to occur, sales of VitalHub products or services may be cancelled or delayed, which would reduce future revenue.

Maintenance and service revenue produce substantially lower gross margins than license revenue, and an increase in service revenue relative to license revenue would harm VitalHub's overall gross margins.

Maintenance and service revenue have substantially lower gross margins than license revenue. An increase in the percentage of net revenue represented by maintenance and service revenue could adversely affect overall gross margins percentage.

The volume and profitability of services can depend in large part upon:

- Competitive pricing pressure on the rates charged for professional services
- Billable utilization of services personnel
- The complexity of clients' IT environments; and
- The resources directed by customers to their implementation projects

Any erosion of margins for maintenance and service revenue, or any adverse changes in the mix of license versus maintenance and service revenue, could adversely affect operating results.

VitalHub may license software from third parties. The loss of rights to use this software could increase operating expenses and could adversely affect the company's ability to compete.

VitalHub may license certain technologies used in its products from third parties, generally on a non-exclusive basis. The termination of any of these licenses, or the failure of the licensors to adequately maintain or update their products, could delay VitalHub's ability to ship its products, as VitalHub may need to seek to implement alternative technology offered by other sources. This may require unplanned investments by VitalHub. In addition, alternative technology may not be available on commercially reasonable terms. In the future, it may be necessary or desirable to obtain other third-party technology licenses relating to one or more products or relating to current or future technologies to enhance VitalHub's product offerings. There is a risk that VitalHub will not be able to obtain licensing rights to the needed technology on commercially reasonable terms, if at all.

VitalHub is exposed to foreign currency risk by reason of collecting some of its revenues in US dollars and plans to sell into other foreign geographies as well as subsidiaries in foreign countries, a change in the foreign currency exchange rate could adversely affect the company's earnings.

For the period ended December 31, 2018, approximately 20% of VitalHub's sales revenue originated from clients in the United States. It is possible that a greater percentage of VitalHub's sales could emanate from the U.S., and other foreign countries. As such, a significant portion of VitalHub's revenues are in U.S. dollars, or other foreign currencies which it then converts into Canadian dollars for reporting in its financial statements. VitalHub's earnings could be adversely affected if the exchange rate between the U.S. and Canadian dollars, other foreign currencies and Canadian dollars continues to fluctuate.

Dividends and Distributions

No cash dividends or distributions have been declared for each of the three most recently completed financial years. The Company has no current dividend or distribution policy.

Description of Capital Structure

The Company is authorized to issue an unlimited number of Common Shares with no par value. As of June 30, 2019, the Company has issued and outstanding 159,897,659 fully paid and non-assessable Common Shares issued and outstanding. Each Common Share carries one voting right.

In addition, the Company has a Stock Option Plan permitting the Company to grant options exercisable into a maximum of 15,989,765 Common Shares.

Market for Securities

Trading price and volume

| Month | High Trading Price (\$) ⁽²⁾ | Low Trading Price (\$) ⁽²⁾ | Monthly Volume (#) ⁽²⁾ |
|-----------------|--|---------------------------------------|-----------------------------------|
| January, 2018 | 0.34 | 0.13 | 6,747,275 |
| February, 2018 | 0.185 | 0.15 | 14,365,051 |
| March, 2018 | 0.235 | 0.19 | 12,553,897 |
| April, 2018 | 0.17 | 0.155 | 11,368,506 |
| May, 2018 | 0.21 | 0.15 | 17,997,904 |
| June, 2018 | 0.32 | 0.26 | 45,301,511 |
| July, 2018 | 0.21 | 0.20 | 6,818,286 |
| August, 2018 | 0.205 | 0.17 | 5,351,411 |
| September, 2018 | 0.175 | 0.16 | 4,259,402 |
| | | | |

| Month | High Trading Price (\$) ⁽²⁾ | Low Trading Price (\$) ⁽²⁾ | Monthly Volume (#) ⁽²⁾ |
|----------------|--|---------------------------------------|-----------------------------------|
| October, 2018 | 0.185 | 0.165 | 5,022,875 |
| November, 2018 | 0.19 | 0.16 | 12,227,534 |
| December, 2018 | 0.155 | 0.15 | 2,813,962 |

Prior Sales

During the period ended December 31, 2018, the Company issued the following securities which are outstanding but are not listed or traded on a marketplace:

| Type of Security | Number of Common Shares Issuable on Exercise or Conversion | Price per Security | Exercise or Conversion Price/Share (\$) | Date of Issuance |
|------------------|--|--------------------|---|------------------------------------|
| Options | 975,000 | Nil | \$0.195 | January 3, 2018 |
| Options | 2,350,000 | Nil | \$0.150 | May 4, 2018 |
| Options | 550,000 | Nil | \$0.180 | August 27, 2018 |
| Options | 200,000 | Nil | \$0.145 | December 27, 2018 |
| Common Shares | 19,500,000 | \$0.164 | Nil | January 10, 2018 (See Note 1) |
| Common Shares | 2,527,735 | \$0.137 | Nil | January 19, 2018 (See Note 2) |
| Common Shares | 1,302,312 | \$0.142 | Nil | September 28, 2018 (See Note 3) |
| Common Shares | 38,500 | \$0.110 | Nil | March 20, 2018 |
| Common Shares | 135,000 | \$0.110 | Nil | June 19, 2018 |
| Common Shares | 31,500 | \$0.110 | Nil | November 19, 2018 |
| Common Shares | 391,238 | \$0.110 | Nil | November 26, 2018 |
| Common Shares | 500,000 | \$0.150 | Nil | June 8, 2018 |
| Common Shares | 999,994 | \$0.150 | Nil | June 11, 2018 |
| Common Shares | 200,000 | \$0.150 | Nil | June 14, 2018 |
| Common Shares | 450,000 | \$0.150 | Nil | November 21, 2018 |
| Common Shares | 1,838,000 | \$0.150 | Nil | November 28, 2018 |
| Common Shares | 792,500 | \$0.180 | Nil | June 8, 2018 |
| Common Shares | 674,000 | \$0.180 | Nil | June 11, 2018 |
| Common Shares | 1,514,000 | \$0.180 | Nil | June 12, 2018 |
| Common Shares | 100,000 | \$0.180 | Nil | June 14, 2018 |
| Common Shares | 100,000 | \$0.180 | Nil | June 19, 2018 |
| Common Shares | 22,226 | \$0.180 | Nil | June 20, 2018 |
| Common Shares | 250,000 | \$0.180 | Nil | June 26, 2018 |
| Common Shares | 50,000 | \$0.180 | Nil | July 5, 2018 |

| | | | | |
|--------------|------------|--|--|--|
| TOTAL | 35,492,005 | | | |
|--------------|------------|--|--|--|

Notes:

- 1) Issued pursuant to the acquisition of H.I. Next Inc. (“HI Next”) through the purchase of all of the issued and outstanding securities of HI Next pursuant to an acquisition agreement dated December 21, 2017 with all of the shareholders of HI Next.
- 2) Issued pursuant to the acquisition of Clarity Healthcare Solutions and other selected assets of Clarity Health Inc. (“Clarity”) pursuant to an acquisition agreement (the “Agreement”) dated January 17, 2018.
- 3) Issued pursuant to the acquisition of Roxy Solutions Inc. (“Roxy”) through the purchase of all of the issued and outstanding securities of Roxy pursuant to an acquisition agreement dated September 13, 2018 with all of the shareholders of Roxy.

Escrowed Securities

As of December 31, 2018, a total of 30,679,040 Common Shares/Warrants/Options were held in escrow pursuant to an Escrow Agreement in accordance with the policies of the TSXV.

| Designation of Class | Number of Securities held in escrow or that are subject to a contractual restriction on transfer | Percentage of class |
|-----------------------------|---|----------------------------|
| Common Shares | 30,679,040 | 23 |

Directors and Officers

The following table sets out the details of the Directors of the company as of the date of the AIF:

| | |
|--|---|
| <p>Barry Tissenbaum Toronto, Ontario ⁽¹⁾⁽²⁾</p> <p>Principal Occupation For Last Five Years: B.A.T. consulting and Corporate Director (July 2005 to present)</p> <p>Director since: November 28, 2016</p> <p>Shares Held or Beneficially Owned⁽³⁾ 180,000 ⁽⁶⁾</p> | <p>Mr. Barry Tissenbaum, CPA, CA is a Corporate Director as well as a Consultant for B.A.T. Consulting which provides services to mostly private, family owned entrepreneurial companies. Mr. Tissenbaum is a former senior partner with Ernst & Young LLP in Toronto where he headed their Retail & Consumer Products division as well as working many years in the Entrepreneurial Services Group and served as the Toronto Mid-Town Managing Partner for 5 years. Barry’s experience as an accountant and business advisor has seen him provide consulting services to senior management in the areas of strategy, profitability, finance, management, taxation, mergers, acquisition and divestitures. Mr. Tissenbaum has served on the board of directors of various publicly listed companies including Nobilis Health Corp., Just Energy Exchange Corp., Corel Corporation, and Medworxx Solutions Inc., and currently serves on the board of Noranda Income Fund. Mr. Tissenbaum obtained his Chartered Accountant designation in Quebec in 1968 and in Ontario in 1974. He is a member of the Canadian Institute of Chartered Accountant and the Institute of Chartered Accountant of Ontario.</p> |
| <p>Roger Dent ⁽³⁾⁽²⁾ Toronto, Ontario, Canada</p> <p>Principal Occupation for Last Five Years: CEO and Director Quinsam Capital Corporation (December 2013 to present)</p> <p>Director since: January 9, 2015</p> <p>Shares Held or Beneficially Owned⁽³⁾ 1,900,000⁽⁴⁾</p> | <p>Mr. Dent has served as the Chief Executive Officer and a director of Quinsam Capital Corporation, an investment firm focusing on undervalued assets, companies, or projects, since December 2013. Mr. Dent is a director of AcuityAds Holdings Inc., Omni-Lite Industries Canada, Inc., Deveron UAS Corp., and California Nanotechnologies Corp. From 2003 to 2011, he held various positions, including portfolio manager, with Matrix Fund Management Inc., where he managed the Matrix strategic Small Cap Fund and the Matrix Small Companies Fund. He was formerly Vice-Chairman of Yorkton Securities Inc., one of the Canada’s largest independent investment dealers and was Managing Director and Deputy Manager of Research at CIBC World Markets. He holds a Master of Business Administration from Harvard Business School and a Bachelor of Commerce from Queen’s University.</p> |
| <p>Stephen Garrington Sydney, NSW, Australia</p> <p>Principal Occupation For Last Five Years: Executive Vice President InterSystems (2011 to February 2019)</p> <p>Director since: November 28, 2016</p> <p>Shares Held or Beneficially Owned⁽³⁾ 250,000⁽⁷⁾</p> | <p>Based in Sydney Australia, Steve Garrington is a graduate of the Australian Institute of Directors (GAICD), and brings 30 years of Healthcare IT business experience to his role on the VitalHub board. Mr. Garrington has previously served on public company boards in the UK, Australia and Canada, and has held leadership positions at several international software companies including; Misys, Torex, Ascribe, IBA Health, ISOFT and InterSystems. Mr. Garrington is currently working as a non executive independent advisor to companies in the technology sector. Mr. Garrington’s expertise has been developed in a range of markets including Asia Pacific, Continental Europe, Middle East, North America, Latin America and the United Kingdom.</p> |

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| <p>Chris Schnarr, ICD.D ⁽¹⁾⁽²⁾ Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: Managing Director, Medical and Therapeutics, Canopy Growth Corporation (October 2018 to Present) Managing Director Lorian Group Inc. (November 2016 to October 2018) President and CFO, Delivra Inc. (September 2015 to November 2016) CFO, Delivra Inc. (May 2014 to September 2015)</p> <p>Director since: December 12, 2016</p> <p>Shares Held or Beneficially Owned⁽³⁾ Nil⁽⁸⁾</p> | <p>Mr. Schnarr brings a wealth of experience to the Corporation. He has over 25 years of experience within a broad range of roles and industries founding, managing, and advising growth companies, including strategy, corporate finance, capital markets, corporate development, M&A, financial reporting and governance. Mr. Schnarr has a combined 25 years of public company Board experience across NYSE, TSX and TSX Venture Exchange listed companies, as well as extensive audit and compensation committee experience. Mr. Schnarr also serves on the Board of Directors of Canopy Health Innovations Inc. and Beckley Canopy Therapeutics Inc. He is a member of the Institute of Corporate Directors, a graduate of the Directors Education Program at the Rotman School of Business at the University of Toronto, and holds the ICD.D designation.</p> |
| <p>Dan Matlow Thornhill, Ontario</p> <p>Principal Occupation For Last Five Years: President and CEO VitalHub Corp. (May 2016 to Present) President and CEO Medworxx (May 2004 to April 2016)</p> <p>Director since: November 28, 2016</p> <p>Shares Held or Beneficially Owned⁽³⁾ 7,820,008 ⁽⁵⁾</p> | <p>As president and CEO of Vitalhub, Mr. Matlow's focus is on increasing new license sales and services revenues, and directing the overall operations of the business. Mr. Matlow brings 20 years of software vendor management experience to Vitalhub, with extensive experience in software development, marketing, consulting, and sales. Dan most recently served as President and CEO of Medworxx Solutions Inc. ("Medworxx") from 2004 to 2015, which was sold to Apteon, a subsidiary of Vista Equity Partners, in October 2015 for a valuation of \$20 million. Medworxx is a provider of healthcare patient flow solutions throughout Canada, the United States, the UK, France and Australia. Dan began his career at On-Line Software Inc. where he led the Canadian operations of a \$150M software business. He then founded and led an education services organization called SDLC Technologies Inc. ("SDLC"). SDLC developed and marketed instructor-led IT education courses in the United States and Canada. Dan led the sales function of Open Text's healthcare division as Vice President of Sales. He was SVP of Sales for Corechange, a Boston-based startup, where he led the sales team that grew both license and services revenues from less than USD\$1M in 1997, to over \$20M in 2001. Open Text acquired Corechange in early 2003. Prior to Corechange, Dan served as President & CEO for an enterprise training and education company that delivered a broad range of instructor-led technical training to Fortune 1000 enterprises in the North America. Dan holds a BA from York University in Toronto, Canada.</p> |
| <p>Francis Shen Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: President & CEO, Shen Capital Corporation (1995 to present)</p> <p>Director since: May 6, 2019</p> <p>Shares Held or Beneficially Owned⁽³⁾ 15,857,500</p> | <p>Francis Shen is the President of Shen Capital Corporation, a private investment company. Mr. Shen was the founder, Chairman and Co-Chief Executive Officer of Aastra Technologies Ltd, which was sold to Mitel Networks Corporation in 2014 in a transaction that returned over \$500 million to the Aastra shareholders. Aastra was founded in 1983 initially to serve the aerospace market and quickly transitioned in the 1990s to the rapidly growing telecom industry. The company was initially listed on the Alberta Stock Exchange (now TSX Venture Exchange) in 1996. In 2000, the company was listed on the TSX and later added to the S&P/TSX Composite Index. Mr. Shen led an aggressive M&A consolidation strategy which resulted in the company to become one of the top global players in the enterprise communications market. In 2000, Mr. Shen was named Ontario's Entrepreneur of The Year in the Technology & Communications category by Ernst & Young. He holds a Master and Bachelor of Applied Science both from the University of Toronto. Mr. Shen is a board member of the Toronto General & Western Hospital Foundation, the Toronto International Film Festival, the ROM Board of Governors and NEXT Canada. He is also the co-chair of the Entrepreneurship Leadership Council, and the founder and sponsor of Start@UTIAS at the University of Toronto.</p> |

Notes:

1. Member of the Audit Committee.
2. Member of the Corporate Governance and Compensation Committee
3. Information as to shares beneficially owned, directly or indirectly, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
4. Also holds options entitling the holder to acquire 750,000 Common Shares.
5. Also holds options entitling the holder to acquire 2,596,612 Common Shares.
6. Also holds options entitling the holder to acquire 350,000 Common Shares.
7. Also holds options entitling the holder to acquire 350,000 Common Shares.
8. Also holds options entitling the holder to acquire 350,000 Common Shares.
9. Mr. Shen was appointed to the Board on May 6, 2019, replacing Mohan Plakkot, who resigned from the Board concurrently therein.

The following table sets out the details of the Named Executive Officers (“NEO”) of the company:

| NEO | Position |
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| <p>Dan Matlow</p> | <p>President and Chief Executive Officer Please refer to the above table describing the Directors of the company for more details.</p> |
| <p>Brian Goffenberg Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: Chief Financial Officer and EVP, Vitalhub Corp. (2016 to present) Chief Financial Officer and EVP, Medworxx Inc. (2011 to 2016)</p> <p>Shares Held or Beneficially Owned ⁽¹⁾ 7,820,008 ⁽³⁾</p> | <p>Chief Financial Officer and Executive Vice President</p> <p>Bio: Mr. Goffenberg has expertise in financial management of information technology firms, including Medworxx Solutions Inc., Philips Lifeline, DWL Incorporated and Delrina Corporation, both before and after its 1995 sale to Symantec Corporation. He has served as a financial partner and business advocate within a varied scope of organizations – and has served in leadership roles throughout trajectories of up to triple revenue growth. In addition to certification from the Canadian Institute of Chartered Accountants, Brian holds Bachelor degrees in Commerce and Accounting from University of the Witwatersrand, Johannesburg, South Africa, where he headed their Retail & Consumer Products division as well as working many years in the Entrepreneurial Services Group and served as the Toronto Mid-Town Managing Partner for 5 years. Barry’s experience as an accountant and business advisor has seen him provide consulting services to senior management in the areas of strategy, profitability, finance, management, taxation, mergers, acquisition and divestitures. Mr. Tissenbaum has served on the board of directors of various publicly listed companies including Nobilis Health Corp., Just Energy Exchange Corp., Corel Corporation, and Medworxx Solutions Inc., and currently serves on the board of Noranda Income Fund. Mr. Tissenbaum obtained his Chartered Accountant designation in Quebec in 1968 and in Ontario in 1974. He is a member of the Canadian Institute of Chartered Accountant and the Institute of Chartered Accountant of Ontario.</p> |
| <p>Robert Lazar Toronto, Ontario, Canada</p> <p>Principal Occupation For Last Five Years: Executive Vice-President of Professional Services and Customer, Vitalhub Corp. (2017 to present) CEO and Co-Founder, B Sharp Technologies Inc. (1998 to 2017)</p> <p>Shares Held or Beneficially Owned ⁽¹⁾ 5,719,673 ⁽⁴⁾</p> | <p>EVP Professional Services and Support</p> <p>Bio: As Executive Vice-President of Professional Services and Customer Care Mr. Lazar’s focus is on ensuring all professional services are delivered on time, on budget and with the highest level of customer satisfaction. The professional services team is responsible to provide pre-sales support, solution implementation, project management, and training. In addition to project implementations Mr. Lazar is responsible to lead the Customer Care team in providing exemplary customer support services. Mr. Lazar brings 30 years of experience of working in the IT sector. Most recently Mr. Lazar served as the CEO and co-founder, along with Vijit Coomara, of B Sharp Technologies and developed their B Care healthcare solution. Along with the B Care healthcare product development and commercialization, Mr. Lazar lead custom development projects for Sony Music in NYC and Rodale, Inc headquartered in Pennsylvania. Prior to B Sharp, Mr. Lazar worked as an independent IT consultant with Agora Food Merchants, a \$6 billion Canadian grocery distributor and retailer. Mr. Lazar also worked in the financial services sector as an IT manager responsible for application development. He began his career at PC DOCS International as a programmer/analyst, eventually moving to the role of project manager. Mr. Lazar holds a Bachelor of Business Administration degree from the University of Wisconsin-Eau Claire.</p> |
| <p>Vijit Coomara Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: Executive Vice-President of Product Development, Vitalhub Corp. (2017 to present) CTO, B Sharp Technologies Inc. (1998 to 2017)</p> <p>Shares Held or Beneficially Owned ⁽¹⁾ 5,791,673 ⁽⁵⁾</p> | <p>EVP Product Development</p> <p>Bio: As Executive Vice-President of Product Development, Vijit Coomara is responsible for providing guidance to VitaHub’s research and development teams, towards the continued evolution and integration of VitalHub’s many different product platforms. In addition to transforming the specifications developed by the sales & marketing team into the software delivered to VitalHub customers, the R & D team constantly explores how various technologies can be used to capture, organize, and present relevant health information about patients at the point of care. Most recently Vijit served as the CTO of B Sharp Technologies from 1998 to 2017 where he led the development of large custom applications in domains such as Publishing, Entertainment, Retail and Gaming, eventually settling on managing a Health Information Systems (HIS) product suite called B Care. Vijit’s extensive technical experience began during eight years at PC DOCS group International in Toronto as technical lead for GUI development. Vijit then became an independent consultant in the United States, where he worked on distribution and shipping systems at Motorola, procurement systems at AT&T, and lottery systems at GTECH Corporation. Vijit holds a Bachelor of Computer Science degree from the University of Toronto. He founded B Sharp Technologies Inc. with Robert Lazar.</p> |
| <p>Niels Tofting Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: EVP, Sales and Marketing, Vitalhub Corp. (2017 to Present) VP, Sales, Logibec (2016 to 2017) SVP, Sale and Business Development, Medworxx Inc. (2009 to 2016)</p> <p>Shares Held or Beneficially Owned ⁽¹⁾ 771,740 ⁽⁶⁾</p> | <p>EVP, Business Development & Marketing</p> <p>Bio: Niels joined VitalHub in 2017 as executive vice president of business development and marketing to lead VitalHub’s efforts to develop a scalable and effective sales and marketing model for our expanding solution portfolio. Niels has been responsible for overseeing our global expansion and supporting the successful integration of our acquisitions to drive organic growth. Niels has more than 20 years of experience in the software industry and has held a variety of senior sales and marketing roles at Corechange (acquired), OpenText, Medworxx (acquired) and Logibec. Significantly, he has led teams responsible for marketing, account management, new business development and partner management that have scaled internationally. Niels holds an Honours Bachelor of Environmental Studies from the University of Waterloo and has completed international studies at Oxford Brookes University.</p> |

Notes:

- (1) Information as to shares beneficially owned, directly or indirectly, not being within the knowledge of the Corporation, has been furnished by the respective directors individually
- (2) Also holds options entitling the holder to acquire 2,596,612 Common Shares.
- (3) Also holds options entitling the holder to acquire 1,626,129 Common Shares.

- (4) Also holds options entitling the holder to acquire 750,000 Common Shares.
- (5) Also holds options entitling the holder to acquire 750,000 Common Shares.
- (6) Also holds options entitling the holder to acquire 1,300,000 Common Shares.

Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, to the knowledge of the Company, as at the date of this AIF and within the ten years before the date of this AIF, no director or officer or proposed director is or has been a director or officer of any company (including the Company) that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Chris Schnarr was a director and an officer of BioExx Specialty Proteins Ltd. and its subsidiaries (“BioExx”) which was a reporting issuer listed on the Toronto Stock Exchange (“TSX”). Mr. Schnarr resigned from the board of directors and as an officer of BioExx and its subsidiaries on August 28, 2013. On October 1, 2013, BioExx commenced proceedings under the *Companies’ Creditors Arrangement Act* (Canada). On the same date the trading of BioExx’s shares on the TSX was halted and on November 6, 2013 the shares of BioExx were delisted from the TSX.

Penalties or Sanctions

To the knowledge of the Company, no proposed director or officer of the Company has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about investing in the Company.

Personal Bankruptcies

To the knowledge of the Company, no director or officer, or a personal holding company of any of them, has, within the ten years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

To the knowledge of the Company, no proposed director, officer or promoter of the Company has any existing or potential material conflicts of interests as a result of their outside business interests.

Legal Proceedings and Regulatory Actions

There are no material pending legal proceedings or regulatory actions to which the either the Company, is, or, so far as management of the Company is aware, is likely to be, a party.

Interest of Management and Others in Material Transactions

In the three most recently completed financial years and during the current financial year, there have been no transactions that have materially affected or that are reasonably expected to materially affect the Company with any of the following:

- (a) a director or executive officer;
- (b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of the outstanding voting securities, and
- (c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) and (b) above.

Transfer Agent

The Company's transfer agent is Capital Transfer Agency, ULC., 390 Bay Street, Suite 920, Toronto, Ontario, M5H 2Y2.

Material Contracts

The Company entered into a CPC Escrow Agreement ("**Escrow Agreement**") on May 27, 2015 with Quinsam Opportunities Inc. and Capital Transfer Agency Inc. (collectively, the "**Parties**"), for good and valuable consideration, agreeing on terms involving holding an asset of value for the Company until the conditions of the contract are met. The Company also entered into a Transfer Agency and Registrarship Agreement ("**Transfer Agreement**") on May 27, 2015 with Quinsam Opportunities Inc. and Capital Transfer Agency Inc. for good and valuable consideration.

Experts

The Company's auditor is MNP LLP, Chartered Professional Accountants, Licensed Public Accountants ("**MNP**") located at 111 Richmond Street West, Suite 300, Toronto, ON M5H 2G4 who have prepared an independent auditor's report dated April 23, 2019 in respect of the Company's consolidated financial statements with accompanying notes as at and for the year ended December 31, 2018. MNP has advised that they are independent with to the Company within the meaning of the Rules of Professional conduct of the Institute of Chartered Accountants.

Interests of Experts

None of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer, or employee of the Company, or of any Associate or Affiliate of the Company.

Additional Information

Additional information relating to the Company is available under the profile of the Company on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at www.sedar.com.

Additional financial information is provided in the Company's annual consolidated financial statements and related MD&A as at and for the year ended December 31, 2018.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans will be included in the Company's management proxy circular for the year ended December 31, 2018, which is dated May 24, 2019, and is available under the profile of the Company at www.sedar.com.