Ventripoint Provides Corporate Update and Enters Review by TSXV to Resume Trading

Toronto, Ontario, September 15, 2020 – Ventripoint Diagnostics Ltd. ("**Ventripoint**" or the "**Company**", TSXV:VPT) is pleased to provide a corporate update and the initiation of a "resumptive review" by the TSXV Exchange to lift the trading halt, which was requested by the Company on December 12, 2019. It is anticipated this review will take only a few days and trading of the Company's stock will resume shortly.

Restructuring and Resumption of Operations

As previously announced (see NR, January 28, 2020) the Company has restructured its Board of Directors (See NR Dec 17, 2019) and Dr. George Adams was appointed the acting CEO of the Company. Subsequently, Victor Hugo was appointed as CFO (see NR June 3, 2020).

As announced on January 28, 2020, the Company resumed operations as soon as the first tranche of the Private Placement was closed on February 10, 2020. The Company had continued to engage with its employees, vendors, customers and consultants throughout the restructuring process. It is pleased to report that four of the six employees who were terminated and ceased to be employees of the Company on December 31, 2019 returned to work for the Company on February 10, 2020. One employee did not return as he elected to enter a professional training program. The other employee found alternative work. Other key staff such as trainers and development engineers also returned to their roles within the Company in February.

As previously announced, the Company had completed all development of the VMS+3.0 and has received market approvals in Canada, Europe and the United States, including Medical Device Licence, CE Mark, and 510(k) clearance for the clinical use (refer to June 25, 2019, July 2, 2019, and October 17, 2019 press releases, respectively). All the Company's market approvals and Quality Management System (QMS) certifications were unaffected by this hiatus in operations. Users of the VMS+ and VMS+3.0 devices have continued to use their machines with no service interruptions.

Financial Update

As previously announced Marrelli Support Services was engaged to provide accounting and audit-support services and completed the annual financial audit conducted by BDO Canada LLP (the Company's auditors) and filed the annual financial statements on time

(see SEDAR filings). The Company also filed the 1Q20 and 2Q20 financial statements on time (see SEDAR filings). The Company engaged Boyle & Co LLP as securities counsel and has completed the previously-announced Private Placement (see NR Jan 28, 2020) with gross proceeds of $1,220,000 (see NR Feb 10, 2020 and Sept 14, 2020).

The Company has received approximately $150,000 in government loans, subsidies and funding to date. The Company has applied for grants totaling in excess of $1,000,000 to continue the development projects and expects to hear shortly about their status. The Company has been successful in obtaining grants in the past and expects to receive approvals for at least some of these grant applications. The Company has purchase orders and has committed to supply eleven VMS+3.0 machines with expected revenue of approximately $350,000 in the next 6 months. Some of these purchases will be on a lease and pay-per-use arrangement and so the Company will be building recurring revenue streams with these leading cardiac centres. The Company continues to build its sales funnel by actively marketing the VMS+3.0.

The Company has lowered its cash requirements to approximately $60,000 per month. With the completion of the Private Placement, the Company now has sufficient cash on hand to continue operations for approximately 6 months and expects to have revenues and grants to fund operations thereafter.

Corporate Update

The Company resumed operations in early February and this was just as the COVID-19 pandemic began to spread worldwide. The Company received market approvals in Canada, Europe and the United States, including Medical Device License, CE Mark, and 510(k) clearance for the clinical use (refer to June 25, 2019, July 2, 2019, and October 17, 2019 press releases, respectively) of the third generation of the VMS product. Initial customer response to the VMS+3.0 had been positive.

Despite the need to work remotely and away from one another during the COVID pandemic, it has been a productive period at Ventripoint. While COVID has been a negative globally, there have been some positive developments in the healthcare, which have benefited Ventripoint. As an example, just as the Company had begun to actively market its new VMS+3.0, which addressed all the prior clinical feedback for better usability, the Company had to cease filling orders from hospitals, as their access and operations became totally coopted by COVID. However, this temporary hiatus for echocardiography services also freed up cardiologists and assisted the Ventripoint marketing team in making them aware of its product offerings. This has enabled hospitals to move through their purchasing process for new equipment so that the Company now has a sales funnel awaiting the re-opening of echocardiography services. This is now beginning in Europe and Canada. In addition, the Company has been able to stretch its limited resources through various grants and aids that came available in Canada's pandemic response. More recently, the dramatic increase in cardiac implications caused by the virus has increased focus on the need for rapid and accurate diagnostics, which

the Company now uniquely provides. This is extremely well captured on the Company's refreshed website, https://www.ventripoint.com/.

The Company has used this time to upgrade almost every aspect of the VMS to make the system more user-friendly, less costly and able to provide more advanced analysis. The developments in more advance analysis will be reported upon in future press releases. This corporate update will focus on three key initiatives that are strategic to advancing the Company into its growth phase. A complete discussion of these three key initiatives is available at https://www.ventripoint.com/news-events.

1. **Eliminating Barriers to Adoption of VMS**

    a. Universal calibration for all echo probes to eliminate the need for on-site installation;
    b. Remote training programs to eliminate the need for on-site training;
    c. Self-contained system to eliminate need for internet connection and improve security.

2. **Reducing the Cost of Goods**

    a. Refactor the source code for the VMS+3.0 to bring it to modern standards;
    b. Eliminate the need for video capture and use direct feed from ultrasound machine to reduce hardware costs and improve image quality;
    c. Allow for use of smaller, more-portable computers to reduce size and cost of the VMS.

3. **More Effective Integration within Clinical Workflow**

    a. Provide templates for all views with recommended points to speed up manual point selection and reduce analysis time;
    b. Allow use with all ultrasound machines in a clinic to eliminate the need to locate and access a specific machine or echo suite;
    c. Allow remote analysis of echocardiograms from central PACS (archive) database on a workstation.

These achievements will enable faster product placement, a larger user base, higher margins and an improved user experience.

Sales and Marketing

The Company has continued to contact its users and customers and leading cardiologists to keep them informed of the upgrades. 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. However, some hospitals have been able to continue their processes and are consequently ready to issue a purchase order once their echo labs re-open. It is not possible to know at this time to forecast when hospitals will re-open as the COVID pandemic is still evolving.

The Company has sold or has new orders and commitments for a total of 19 VMS+ devices.

Region	Sold and delivered	Ordered or Committed
Canada+USA	4	7
Europe+UK	1	4
Asia and ROW	3	

New orders have not been fulfilled due to the temporary restrictions of hospitals as they deal with the COVID-19 pandemic. The Company has installed four VMS machines to four cardiac centers in Canada and has made commitments for two additional centers. In addition, it has purchase orders for one additional unit in the USA and has made commitments to provide an additional 3 units. In addition, the Company has a purchase order for one unit in Europe and commitments for four other units in Europe and UK. The Company has sold and delivered three VMS+3.0 machines to its Chinese partners for demonstration and research use and received full payment.

During this period, the Company has passed two Nationally Recognized Testing Laboratory (NRTL) inspections of our in-house manufacturing facility with no non-conformances. These certification audits are conducted to ensure that the Company comply with the required standards of the North American market and thereby allow sales of our products within North America. In addition, The Company has passed a recertification audit of our ISO Quality Management System with no non-conformances. This certification is to verify we are adhering to the standards and requirements for Europe.

Application to COVID-19

The Company has continued its ongoing dialogue with leading cardiologists, who recently have been focused on the cardiac complications of COVID-19. *It is now clear that COVID-19 does substantial damage to the heart in many ways.* The latest data show even young people, who had mild symptoms, developed significant acute and continuing cardiac structural abnormalities and the virus can infect and replicate in the heart tissue as revealed by post-mortem studies in older patients. Current studies suggest that 50% of patients have cardiac involvement during the acute infection with COVID-19 and 35% of patients have continuing cardiac inflammation and dysfunction for many months.

(https://www.statnews.com/2020/07/27/covid19-concerns-about-lasting-heart-damage/?utm_source=nl&utm_brand=wired&utm_mailing=WIR_Science_072720&utm_campaign=auddev&utm_medium=email&utm_term=WIR_Science&bxid=5cc9e1773f92a477a0e875a9&cndid=55342047&esrc=wired_prefs&source=EDT_WIR_NEWSLETTER_0_SCIENCE_ZZ).

The cardiology community is now beginning to anticipate that an increase in chronic heart disease could be one of the legacy results of the pandemic for decades to come. The Company has engaged with three major cardiac centres to conduct clinical studies on COVID-19 patients. The literature has shown RV, LV and biventricular dysfunction can be detected with echocardiography using crude analysis of the heart. The Company anticipates it will be able to significantly improve the analysis of echocardiograms from COVID-19 patients. This will be important to establish a baseline during the acute phase of COVID-19 infection and monitoring, to see which patients continue into chronic heart failure, and which patients recover. *Heart disease remains the number one illness worldwide and the opportunity for Ventripoint is growing as additional patients arise from the COVID-19 pandemic.*

Risks and Uncertainties

Status

The Company reported in its last financial statements for the period ended June 30, 2020, liabilities and accounts payables of approximately $1,699,181, of which approximately $1.1M was accounts payable and approximately $0.5M was accrued salaries. This was in addition to the approximately $1.1M of debt in the form of debentures. It is anticipated the remaining accounts payables will be settled over time and so the majority of the proceeds of the second tranche of the private placement will be used to advance the operations of the Company. It is also anticipated that current and former employees will wait until the Company has sufficient resources to be paid their accrued salaries (the majority is owed to the acting CEO and Executive-Chairman, Dr. Adams) or convert them into shares through settlement agreements which may be subject to approval of the Exchange and shareholders. A majority of the accounts payables date back several years and creditors, which have been patient throughout this period. There is no guarantee these creditors will remain patient. The ability to negotiate payout agreements with significant creditors may materially affect the Company going forward.

Financial

The Company's success in raising new operating capital has enabled it to upgrade its products and begin selling and deploying the VMS+3.0. The Company will require additional operating capital in the future to sustain its level of operations and to further implement its commercialization strategies. The Company is in discussions with multiple parties related to its financing and commercialization efforts to secure sufficient additional capital and resources to further implement its business plan of deploying 70-100 VMS+3.0 machines and achieve cashflow 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. There is no assurance the Company will be able to secure additional financing on reasonable terms.

Continued Operations
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. The Company had incurred a loss of $1,111,838 and had a negative cash flow from operating activities of $484,599 for the six months ended June 30, 2020 and has accumulated $39,059,088 of losses as at June 30, 2020. 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.

About Ventripoint Diagnostics Ltd.

Ventripoint has become an industry leader in the application of AI (Artificial Intelligence) to echocardiography. Ventripoint's VMS products are powered by its proprietary KBR technology, which is the result of a decade of development and provides accurate volumetric cardiac measurements equivalent to MRI. This affordable, gold-standard alternative allows cardiologists greater confidence in the management of their patients. Providing better care to patients serves as a springboard and basic standard for all of Ventripoint's products that guide our future developments. In addition, VMS+ is versatile and can be used with all ultrasound systems from any vendor supported by regulatory market approvals in the U.S., Europe and Canada.

For further information, please contact:
Mr. Peter Weichler, Director
Email: peter@weichler.ca

Forward Looking Statements:

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking information relating to operation and relating to the Offering and the use of the proceeds therefrom. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including expectations and assumptions concerning the completion of the

Offering and the use of net proceeds of the Offering. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Such factors may include the failure to successfully market the Units and failure to satisfy certain conditions in connection with the issuance of the Units. Other factors which could materially affect such forward-looking information are described in the risk factors in the Company's most recent annual management's discussion and analysis that is available on the Company's profile on SEDAR at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements included in this news release are expressly qualified by this cautionary statement. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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