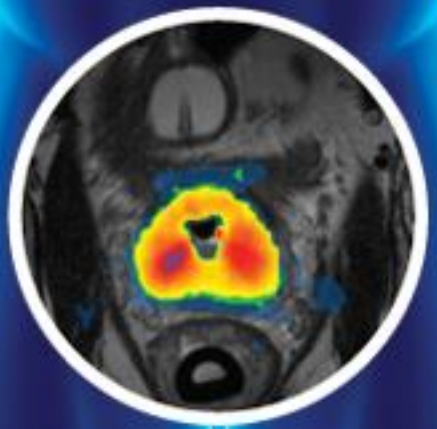
PROFOUND MEDICAL CORP.

Pioneering a new standard of care in the treatment of prostate cancer



TSXV:PRN

Forward-Looking Statements

This presentation and oral statements made during this meeting regarding Profound and its business which may include, but are not limited to, the expectations regarding the efficacy of Profound's technology in the treatment of prostate cancer. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such statements are based on the current expectations of the management of each entity. The forward-looking events and circumstances discussed in this presentation may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting the company, including risks regarding the pharmaceutical industry, economic factors, the equity markets generally and risks associated with growth and competition.

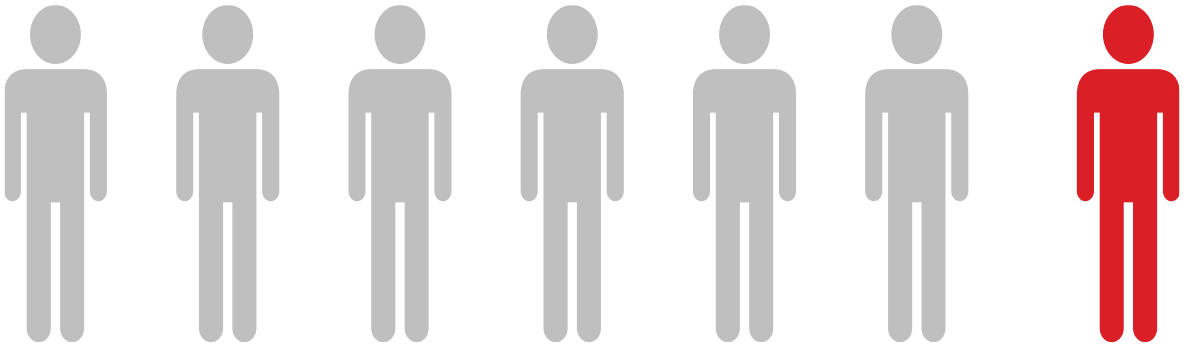
Although Profound has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Profound undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, other than as required by law.

Investment Highlights

- Commercializing a new, minimally invasive technology (TULSA) for the ablation of targeted prostate tissue
- Received CE Mark approval in April 2016 for TULSA-PRO™
- Large and growing market opportunity; significant unmet medical need
- Strong IP portfolio
- Attractive razor/razor blade revenue model
- MRI installed base with strong partnerships
- Near- and mid-term milestones offer value inflection opportunities

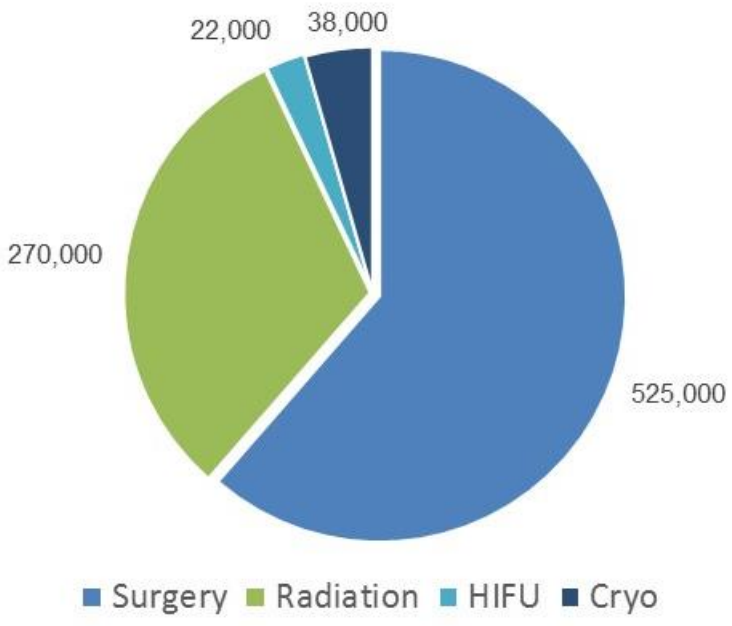
Prostate Cancer Incidence

1 in 7 men will be diagnosed with prostate cancer in their lifetime



Large & Growing Market

of Procedures (EU & US)



500,000 new patients per year

850,000 procedures per year

US$40 Billion Market

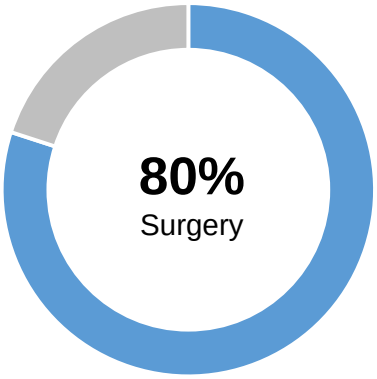
- **Surgery $18B**
- **Radiation $20B**
- **HIFU $0.9B**
- **Cryo $0.7B**

iData Research 2012
US and European Urological Market Reports

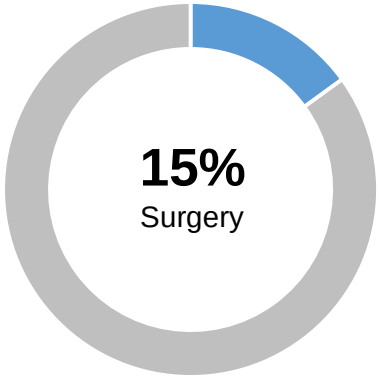
The Problem

While prostate cancer survival rates are high, the current therapies have undesirable complication rates

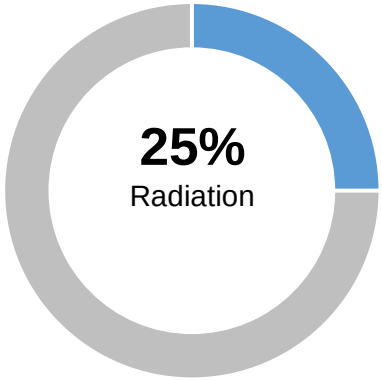
Impotency



Severe Incontinence



Bowel Problems



Potosky et al, "Five-year outcomes after prostatectomy or radiotherapy for prostate cancer: the Prostate Cancer Outcomes Study (PCOS)," Journal of the National Cancer Institute, 96(18): 1358-1367 (2004)

What If?

What if you could treat localized prostate cancer in 2 hours?

- Minimally invasively
- With real-time image guidance
- In a single treatment
- With the same or even better outcomes than surgery or radiation

Our Solution

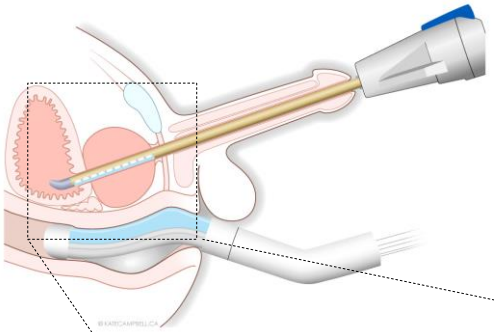
TULSA-PRO™

1. Ultrasound Applicator
2. Endorectal Cooling Device
3. Positioning System
4. Positioning System Interface Box
5. System Cart
6. System Electronics

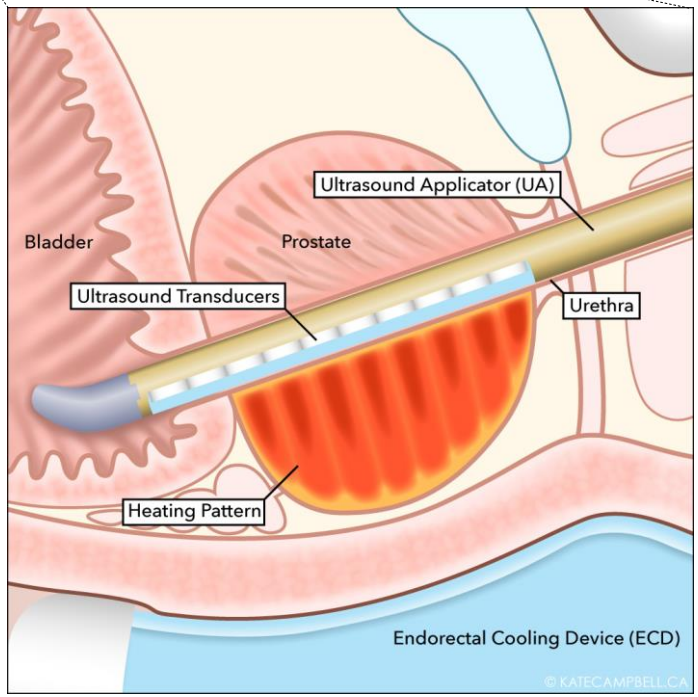
Disposables

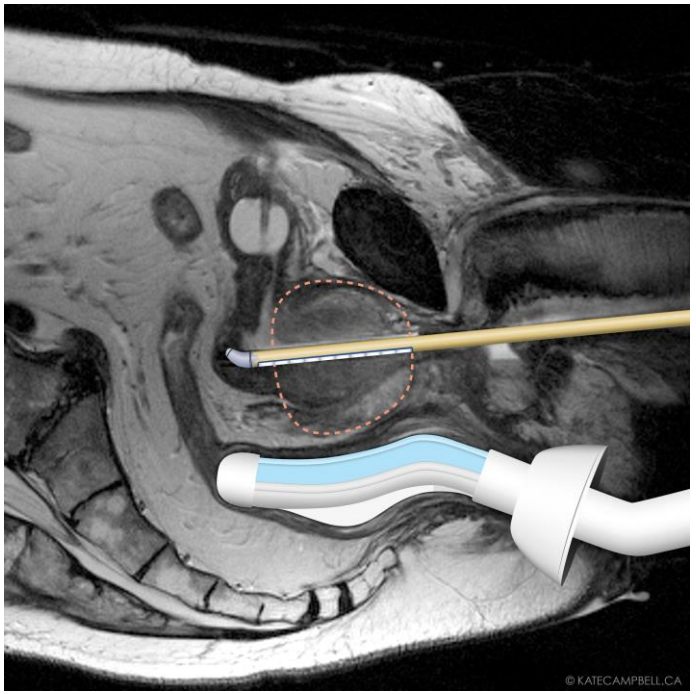
Capital Equipment

Our Solution

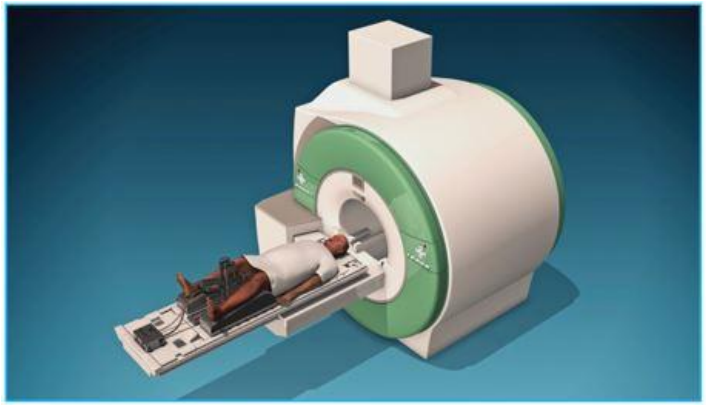


TULSA-PRO™

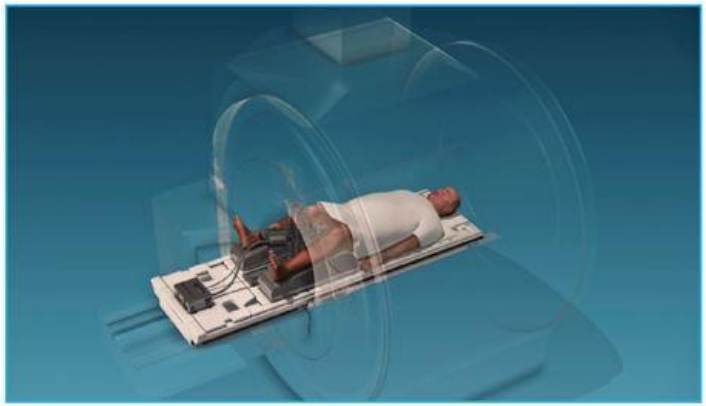




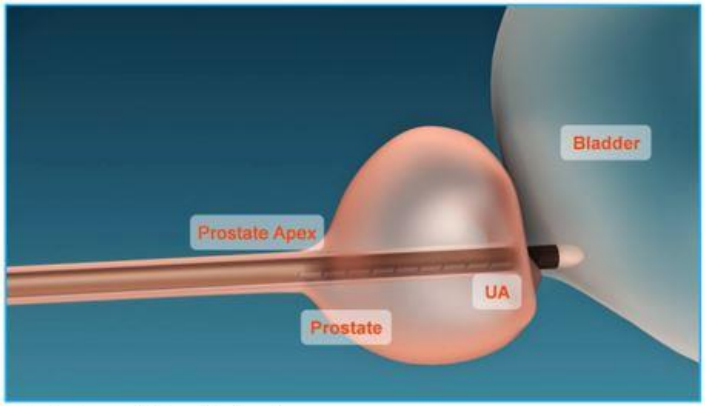
TULSA-PRO Procedure



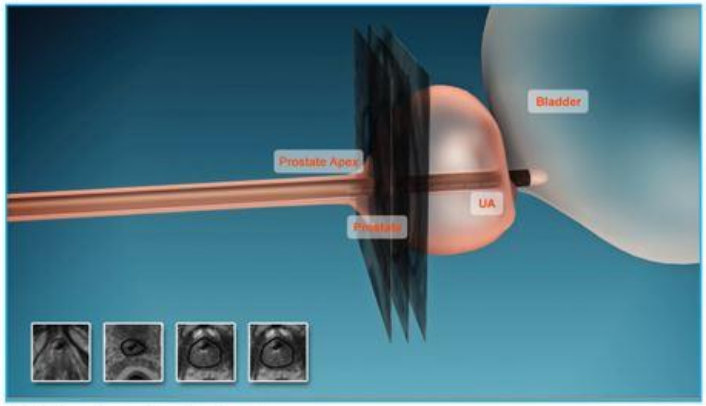
1. Patient on MRI bed



2. Patient in MRI scanner



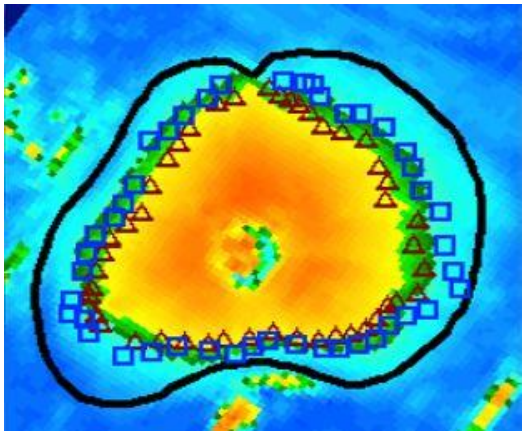
3. Probe inserted into patient urethra



4. MR imaging of prostate in slices.

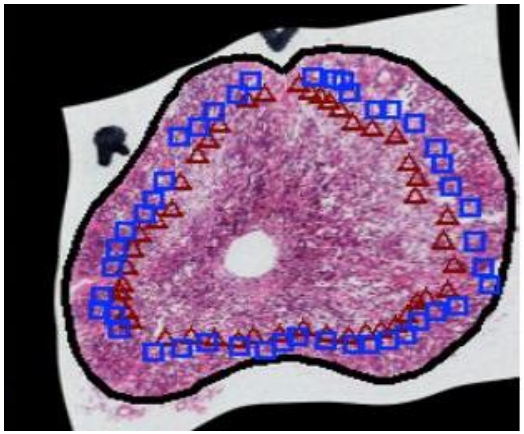
Proven Accuracy

Testing in prostates showed excellent agreement between MRI temperature measurements, histology and contrast-enhanced MRI



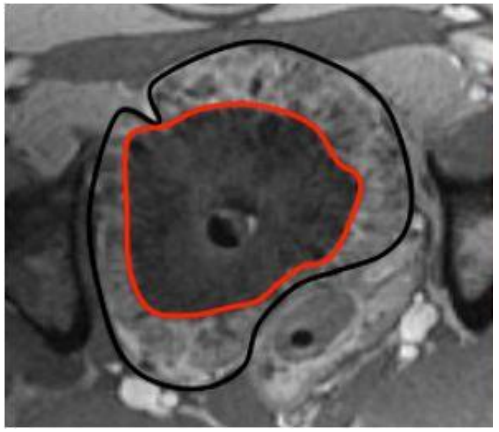
MR Thermometry

- 0% cell kill
- all tissues outside are normal



Histology

- 100% cell kill
- all tissues inside are killed



Contrast-enhanced MRI

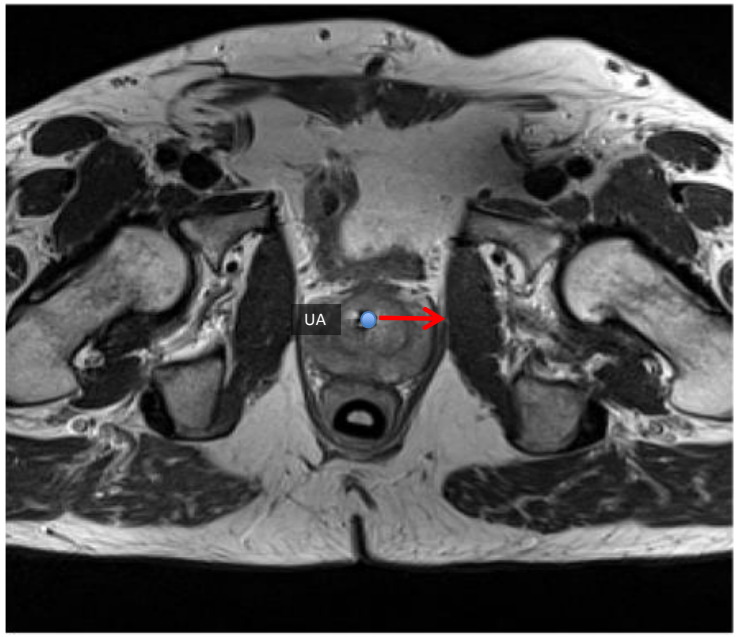
- Prostate region of non-perfusion

Chopra et al, Phys Med Biol. 2009; 54(9): 2615-33

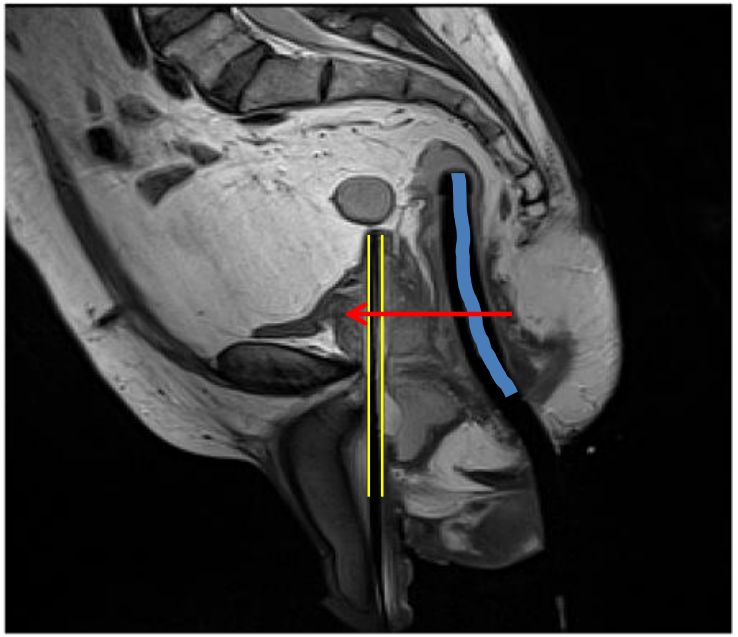
Reduced Tissue Damage

Our preclinical study observed 83% of urethral tissue was preserved after treatment

Inside-Out

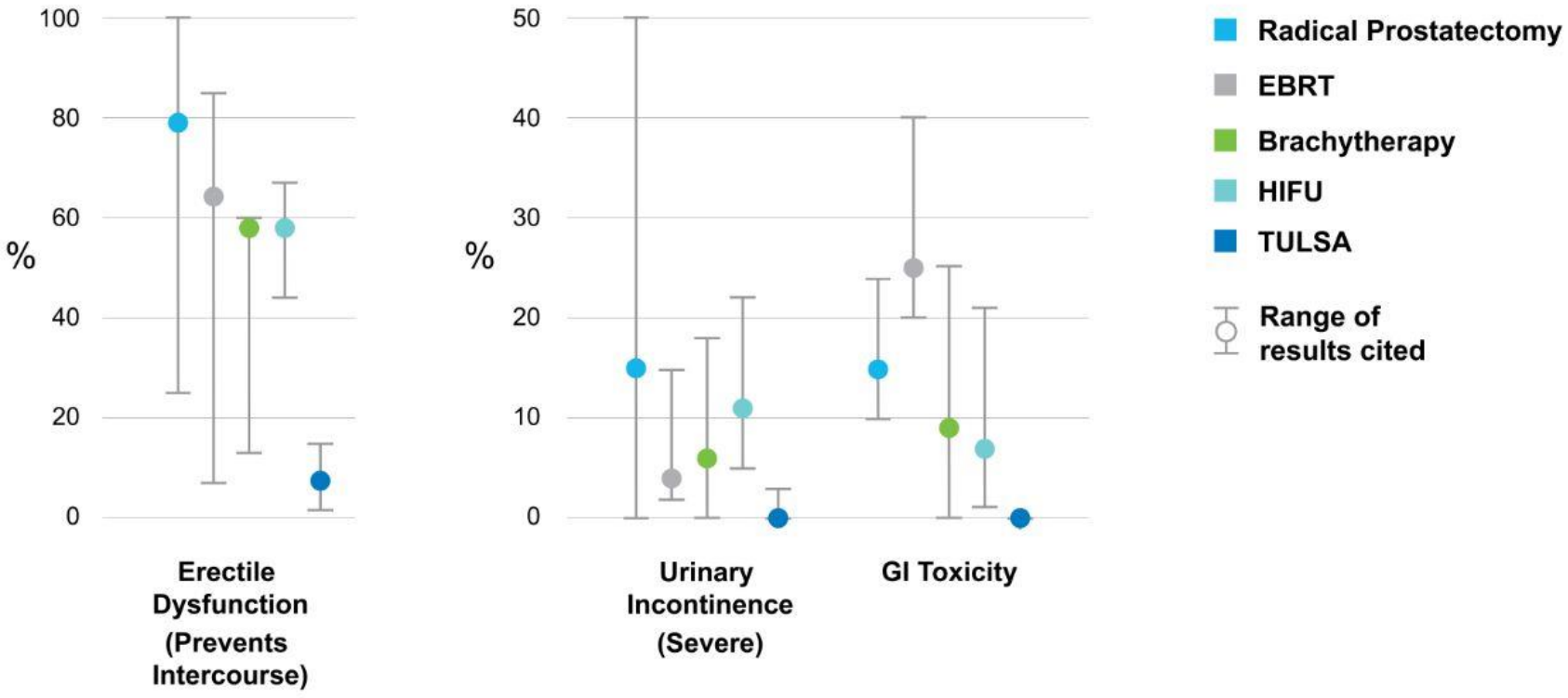


Outside-In



Lower Complication Rates

Profound's technology results in fewer significant complications



*Thompson (Chair) et al for AUA Prostate Cancer Clinical Guideline Update Panel (2007) Guideline for the management of clinically localized prostate cancer: 2007 update. The Journal of Urology 177(6): 2106-31

*PMI 12-month Phase 1 Trial, GCP-10102 Table 10.

Phase I Clinical Trial – 12-month data

The Phase I trial has demonstrated that MRI-guided TULSA provides accurate treatment planning, real-time thermal dosimetry and precise control of prostate ablation to within 1.3 mm, with a well-tolerated side-effect profile.

Outcomes:

- 30 patients treated with at least 12 month follow-up
- No intraoperative complications, no rectal injury or fistula
- Erectile dysfunction rate of 8% (IIEF item 2 ≥ 2)
- At 12 months, only 1 patient (3%) with Grade 1 urinary incontinence (no pads)
- Functional quality-of-life outcomes back to baseline levels

Tissue Affected

Current techniques may damage tissue far outside the therapy target area, or risk damage to critical structures

Radiation	HIFU	Radical Prostatectomy	TULSA-PRO™
▪ Non-invasive ▪ Outside-In ▪ Risk associated with treatment of surrounding tissue ▪ High rate of side effects, including damage to bowel	▪ Non-invasive ▪ Outside-In (Trans-rectal) ▪ High rate of side effects, including thermal damage to bowel ▪ Limited to average or smaller size prostates	▪ Invasive surgical technique ▪ Removes the gland and related tissues ▪ High rates of side effects such as incontinence and impotency ▪ Success related to skill of surgeon	▪ Non-invasive ▪ Inside-Out (Trans-urethral) ▪ Precisely treats prostate tissue with minimal damage to nearby critical structures ▪ Low rate of complications

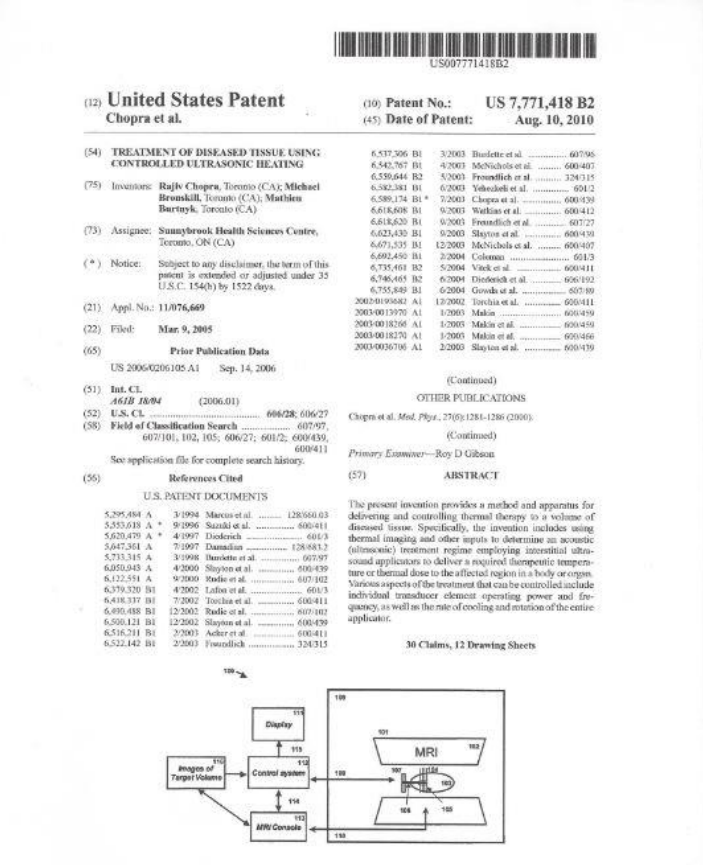
Advantages

- Safe, fast and accurate
- Millimeter accuracy ablates cancerous tissue while sparing critical structures
- Quick procedure with single treatment and rapid recovery time
- Minimally-invasive using thermal ablation to heat prostate from inside-out
- Guided by real-time MR imaging with temperature (thermometry) feedback
- Technology compatible with leading MRI platforms

Opportunity is Well Protected

Strong IP Portfolio:

- 6 patents issued in the United States
- 6 patents pending in the United States
- 9 patents pending foreign applications



US007771418B2

(12) **United States Patent**
Chopra et al.

(10) **Patent No.: US 7,771,418 B2**
(45) **Date of Patent: Aug. 10, 2010**

(54) **TREATMENT OF DISEASED TISSUE USING CONTROLLED ULTRASONIC HEATING**

(75) Inventors: **Rajiv Chopra**, Toronto (CA); **Michael Bronskill**, Toronto (CA); **Mathieu Burtnyk**, Toronto (CA)

(73) Assignee: **Sunnybrook Health Sciences Centre**, Toronto, ON (CA)

(*) Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 1522 days.

(21) Appl. No.: **11/076,669**

(22) Filed: **Mar. 9, 2005**

(65) **Prior Publication Data**

US 2006/0206105 A1 Sep. 14, 2006

(51) **Int. Cl.**
A61B 18/04 (2006.01)

(52) **U.S. Cl.** **606/28**; 606/27

(58) **Field of Classification Search** 607/97, 607/101, 102, 105; 606/27; 601/2; 600/439, 600/411

See application file for complete search history.

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(Continued)

Primary Examiner—Roy D Gibson

(57) **ABSTRACT**

The present invention provides a method and apparatus for delivering and controlling thermal therapy to a volume of diseased tissue. Specifically, the invention includes using thermal imaging and other inputs to determine an acoustic (ultrasonic) treatment regime employing interstitial ultrasound applicators to deliver a required therapeutic temperature or thermal dose to the affected region in a body or organ. Various aspects of the treatment that can be controlled include individual transducer element operating power and frequency, as well as the rate of cooling and rotation of the entire applicator.

30 Claims, 12 Drawing Sheets

Strong Market Access Through Key Partnerships

PHILIPS

Joint Development Agreement announced July 2015 to support TULSA technology on Philips' Ingenia and Achieva 3T MRI systems

SIEMENS

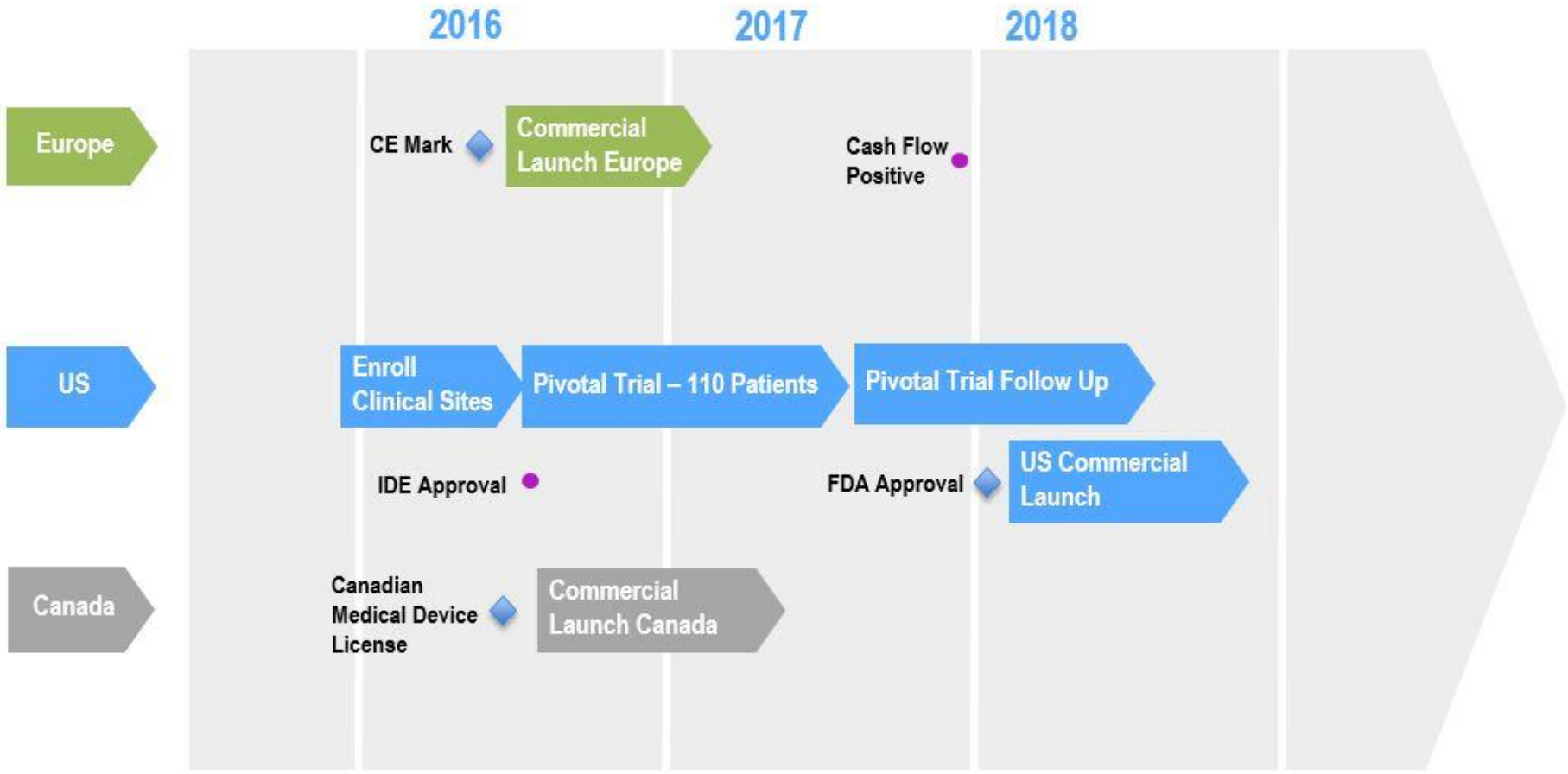
Strategic Collaboration Agreement announced March 2016 to co-market and co-sell into the Siemens installed base of customers; each partner will invest $2 million in marketing, educational and sales activities

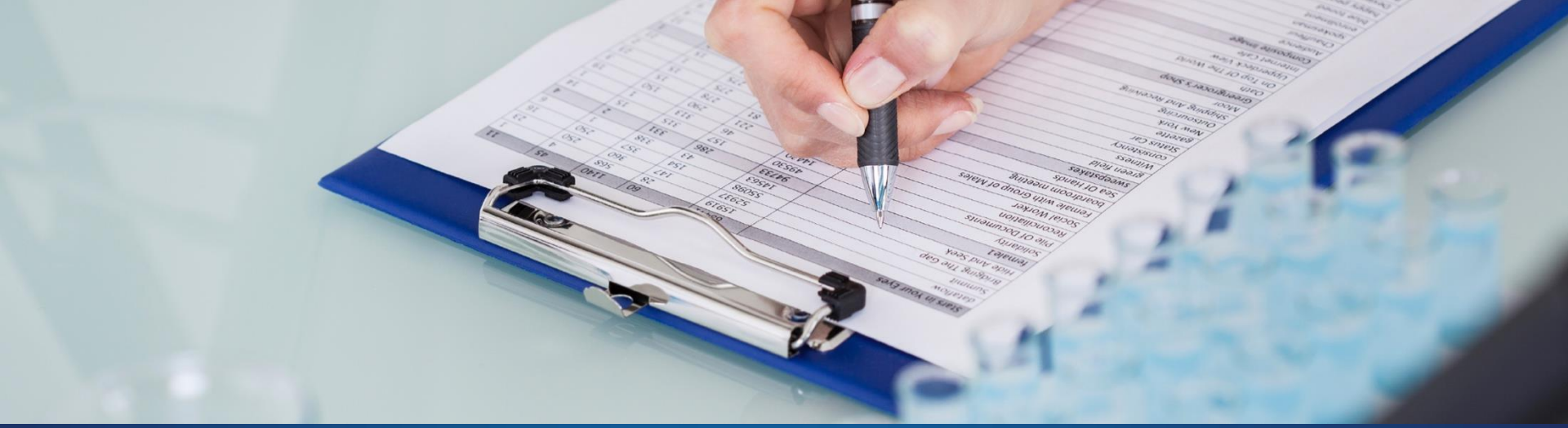
Strong Leadership

Executive Team	
Steven Plymale	CEO (Xltek, CryoCath, Cedara, Claron, Bluehaven)
Ron Kurtz	VP, Engineering (Xltek)
Goldy Singh	VP, Quality & Regulatory Affairs (Xltek, C.R. Bard, Philips Medical, Natus Medical Inc.)
Hartmut Warnken	VP, International Sales (IMRIS Pte. Ltd., IMRIS Germany GmbH, IMRIS KK Japan)

Board of Directors	
Jean-François Pariseau	Partner, BDC Venture Capital
Damian Lamb	Co-Founder & Managing Director, Genesys Capital Partners
Steven Plymale	CEO, Profound Medical Corp.
William E. Curran	Previously President & CEO, Philips Electronics North America
Arun Menawat	President & CEO, Novadaq Technologies Inc.
Jonathan Goodman	President & CEO, Knight Therapeutics

Solid Path to Commercialization





Recent & Upcoming Milestones

- Received CE Mark approval in April 2016 for TULSA-PRO™
- Sale of first TULSA-PRO™ to ResoFus Alomar in Spain in April 2016
- Pivotal Trial commencement
- Expansion of strategic collaborations / distributor partnerships
- Commercial launch Canada
- Solidify reimbursement pathway

In Conclusion

- TULSA poised to be a game changer in the clinical management of patients by ablation of targeted prostate tissue
- Large and growing market opportunity; significant unmet medical need
- Near- and mid-term milestones offer multiple value inflection opportunities
- Technology well protected by strong IP portfolio
- CE Mark obtained
- Attractive razor/razor blade revenue model
- Well established care delivery infrastructure
- Proven leadership team

‘A GAME CHANGER’

In the clinical management of prostate care

Capitalization

Exchange & Ticker		**TSXV: PRN**
Cash (@ December 31, 2015)		$20.5MM
Debt: FedDev		$0.8MM
HTX		$1.5MM
Knight		$4.0MM
Common Shares (@ Dec 31, 2015)		
Basic, Fully Diluted		39.5MM; 43.8MM
Significant Shareholders:	BDC	24.8%
	Genesys	23.1%
	Knight	7.7%

PROFOUND MEDICAL Corp.

TSXV: PRN

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