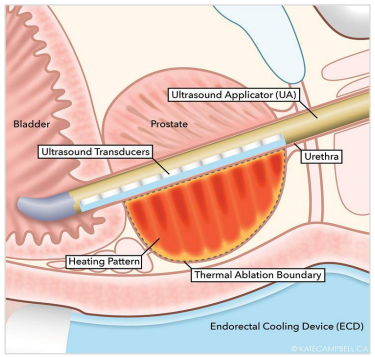
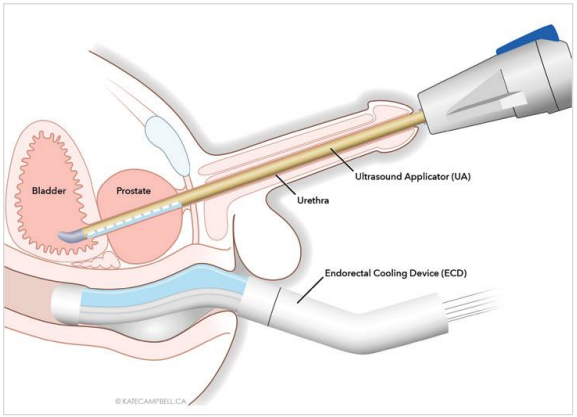
PROFOUND MEDICAL Corp.

FACT SHEET • JULY 2015

Overview

- Profound Medical is a medical device company that has developed a unique and minimally invasive treatment to ablate the prostate gland. Profound's novel technology combines MR imaging with ultrasound thermal energy that is delivered via a transurethral approach. This investigational method of prostate ablative therapy provides highly accurate and precise treatment of the prostate in a short time span, allowing for fast patient recovery. The potential of this technology is currently being assessed in clinical trials.
- Technology developed at Sunnybrook Research Institute.
- Transurethral Ultrasound Ablation (TULSA) technology provides a lower cost treatment than existing alternatives.
- Current therapies (radiation, surgery) bring undesirable complications: incontinence, impotency and bowel problems.
- Profound's technology has the potential for fewer significant complications.
- Patients go home within 24 hours of the procedure.
- Management team has extensive experience commercializing medical devices, and specifically ablation technologies.





PROSTATE CANCER TREATMENT OPTIONS

Robotic Prostatectomy	Prostatectomy	IMRT (Intensity Modulated Radiation Therapy)	HIFU (High-Intensity Focused Ultrasound)	TULSA-PRO
+ Certainty of removing whole gland + Good outcome data - Invasive - Hospital stay - Post-surgical complications - High cost	+ Certainty of removing whole gland - Invasive - Hospital stay - Post-surgical complications - Outcome dependent on skill of surgeon	+ Non-invasive - Collateral tissue damage - Multiple visits required - Recurrence - High cost	+ Minimally invasive + Image-guided - Transrectal delivery can result in complications - Collateral tissue damage - Prostate volume must be < 40 cc - Significant capital equipment cost	+ Minimally invasive + Quick treatment time + Highly accurate + Real-time MRI- guided + Prostate volume < 90 cc + Low complication rates - Requires compatible MRI equipment

Development & Commercialization

- Profound has successfully completed a 30 patient safety and feasibility trial.
  - All patients planned an overnight stay, discharged in morning.
  - Average treatment time is less than 40 minutes.
  - Trial hospitals included Western University (London, Ontario), Cleveland Clinic (Cleveland), William Beaumont (Detroit), German Cancer Research Hospital (Germany).
- Profound will launch 110 patient, multi-jurisdictional Pivotal Trial in Q4 2015. Results will be basis for *de novo* submission for marketing approval in 2017.
- Initial Commercialization: Europe 2016, Canada 2016, U.S. 2017.
- Patents: 5 in U.S. (System and Method), 7 pending in the U.S., 6 pending Foreign Applications.
- Technology compatible with Philips and Siemens MRI platforms.
- Most hospitals equipped to perform a prostatectomy will be able to use Profound's technology.
- Potential other applications include:
  - Focal therapy: targeted ablation of cancerous tissue, leaving healthy tissue unharmed.
  - Treatment of benign prostatic hyperplasia (BPH).

Selected Financial Data

Exchange & Ticker		**TSXV: PRN**
Cash (Pro Forma; May 22, 2015 Filing Statement		$27.9MM
Debt:	FedDev	$0.9MM
	HTX	$1.5MM
	Knight	$4.0MM
Common Shares (Basic; Fully Diluted)		39.4MM;42.9MM
Significant Shareholders:		
	BDC	24.9%
	Genesys	23.1%
	Knight	7.7%
Market Capitalization (@$1.50/share)		**$64.3MM**