Listing Statement

LUMINOR MEDICAL TECHNOLOGIES INC.

("Luminor Medical" or the "Company")

B2 – 125 The Queensway, Suite 217, Toronto, ON M8Y 1H6

Dated as of November 21, 2017

The Canadian Stock Exchange (the "CSE") nor any securities regulatory authority has reviewed the adequacy or the accuracy of the contents of this document

1. Table of Contents

CAUTIONARY NOTE REGARDING FORWARD- LOOKING STATEMENTS

This Listing Statement includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, and therefore are, or may be deemed to be, "forward-looking statements." These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "seeks", "projects", "intends", "plans", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Listing Statement and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate. These statements reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant known and unknown risks, uncertainties and assumptions. Many factors could cause Luminor Medical's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those detailed in this Listing Statement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this Listing Statement. Such risks include, but are not limited to: a decrease in the value of the Common Shares; the ability of the Corporation to continue as a going concern; dependence on key personnel; the Corporation's early stage of development; unstable and potentially negative economic conditions; fluctuations in interest rates; maintenance of client relationships; obtaining and maintaining a listing on the CSE; risks related to potential dilution in the event of future financings; volatility of the market price for the Common Shares; and risks related to whether Luminor Medical will ever be in a position to declare and pay dividends. See "Risk Factors" for a complete list of risks relating to an investment in Luminor Medical. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Those factors should not be construed as exhaustive and should be read with the other cautionary statements in this Listing Statement.

These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although we base our forward-looking statements on assumptions that we believe were reasonable when made, which assumptions include, but are not limited to Luminor Medical's future growth potential, results of operations, future prospects and opportunities, execution of Luminor Medical's business strategy, a stable workforce, no material variations in the current tax and regulatory environments, future levels of indebtedness and the current economic conditions remaining unchanged, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this Listing Statement. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Listing Statement, those results or developments may not be indicative of results or developments in subsequent periods.

Any forward-looking statements which we make in this Listing Statement speak only as of the date of such statement, and we do not undertake, and specifically decline, except as required by applicable law, any obligation to update such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. All of the forward-looking statements made in this Listing Statement are qualified by these cautionary statements.

All monetary amounts in this Listing Statement are expressed in Canadian dollars, unless otherwise indicated.

2. Corporate Structure

2.1 The full corporate name of the Issuer is "Luminor Medical Technologies Inc." The Issuer's head office and registered office is located at B2 – 125 The Queensway, Suite 217, Toronto, ON M8Y 1H6.

2.2 The Issuer was incorporated under the Canada Business Corporations Act and was formed via articles of amalgamation on September 25, 2002 through the filing of articles of amalgamation of Miraculins Inc. and Magellan Biotech Inc. On March 24, 2016, the Articles of Incorporation were amended to change its name to Luminor Medical Technologies Inc.

2.3 The Issuer owns a 100% of the common shares of its subsidiaries Jamaica-Blu Ltd. ("JBlu") and Scout Assessment Corp. ("SACorp"). JBlu and SACorp are both incorporated under the Business Corporations Act (Ontario).

3. General Development of the Business

3.1 The Company began active operations in 2002 as a research and development company focused on the screening and identification of target proteins and peptides related to diseases. The Company's original vision was to contribute to the saving of lives through the early detection and diagnosis of cancer by developing products to increase the information available to physicians and consequently enhance the quality of treatment for cancer patients.

In the spring of 2008, the Company shifted its business model, moving the Company's focus away from basic discovery research and further down the diagnostic assay development and commercialization pathway. The Company's business plan was then focused on in licensing/acquiring and developing diagnostic and risk assessment technologies that address unmet clinical needs and have completed the early stage research phase.

In the fall of 2008, the Company announced its first technology acquisition under its new business model. The Company acquired a panel of biomarkers from Mount Sinai Hospital that had demonstrated the potential to detect or diagnose preeclampsia, a devastating condition of growing incidence affecting pregnant women that was the leading cause of maternal and prenatal deaths worldwide. The Company partnered the program with Alere, Inc. in January 2010 for development and potential commercialization and Alere had exercised its exclusive option and licensed the novel biomarker Endoglin in January 2013 concluding a three year Collaborative Research and Option Agreement program.

On January 30, 2014, the Company announced that Alere had elected not to proceed further in the direct commercial development of a professional diagnostic product for the biomarker Endoglin, but instead would support the Company in seeking commercialization opportunities for Endoglin.

In late summer 2010, the Company completed the acquisition of all assets relating to the PreVu® Non Invasive Skin Cholesterol Test. PreVu® is a new Coronary Artery Disease ("CAD") risk assessment technology that measures cholesterol levels in a patient's skin non-invasively, painlessly and without the need for fasting. Following the closing of the acquisition of the PreVu® technology, The Company was focused on the pilot introduction of the product through select retail pharmacies. The PreVu® program is currently under strategic review by the Company.

Scout DS® -DIABETES SCREEN

In August 2013, the Company completed the acquisition of all the relevant assets, including intellectual property, licenses and regulatory approvals, inventories, data and marketing materials, relating to VeraLight's Scout DS® technology, , in exchange for a combination of $150,000 in cash and 52,321 of the Company's common shares. The Company focused on maintaining and growing commercial activities in the Canadian pharmacy space while evaluating opportunities to grow activities internationally, and executed a major sales and distribution agreement for the sale of up to $90 million Scout DS® diabetes screening devices in China (the "China Contract"). The Company was unable to fill the obligations of the China Contract.

The Scout DS®, which in 90 seconds rapidly tests individuals without blood draw or the need to fast, provides immediate results and is indicated for use for the non-invasive screening of individuals 18 years or older that are at risk for pre diabetes and/or type 2 diabetes.

The Scout DS® has received clearance from Health Canada for commercial distribution, has been CE Marked in the European Union, and is also cleared for sale in other markets. Commercial piloting of the technology has taken place in Canada, and preliminary distribution channels have also been established or advanced prior to the Company's involvement with the technology including in countries that may recognize Health Canada and CE regulatory clearances such as Saudi Arabia, Qatar, the United Arab Emirates, India, Jordan, Brazil, Turkey and Kuwait.

Scout DS® Technology and Key Market Highlights

- Diabetes is one of the fastest growing diseases in history, although up to 90% of type 2 diabetes is preventable with early detection and intervention.

- By 2020 it is estimated that 52% of the U.S. population will have pre diabetes or type 2 diabetes.

- Over 628 million people worldwide have pre diabetes or type 2 diabetes, which is projected to grow to 912 million by 2030 (a 45% increase); currently 500 million people in the world have undiagnosed pre diabetes and undiagnosed type 2 diabetes.

- Complications from diabetes can lead to blindness, kidney disease, cardiovascular disease and amputation.

- Loss of activity further exacerbates the cost of diabetes which impacts healthcare systems worldwide by over $500 billion (US) annually; the Centers for

Disease Control, in Atlanta, Georgia estimate U.S. diabetes costs exceed $218 billion (US) annually.

By utilizing visible light to non-invasively measure changes in a person's skin indicative of pre diabetes and type 2 diabetes (by having a patient place their forearm on a portable, table top instrument that measures Advanced Glycation End Products in the skin), the Scout DS® could find more pre diabetics faster, easier and more cost effectively than all alternative world standard tests including Fasting Plasma Glucose, Oral Glucose Tolerance, Hemoglobin A1C, and Finger Stick Blood Glucose.

A patient who's Scout DS® screening result suggests a likelihood of pre diabetes or type 2 diabetes is recommended to see their doctor to have a confirmatory blood test done to make a diagnosis.

Six Scout DS® publications have appeared in peer reviewed journals since April 2013. These studies include research demonstrating the superiority of the Scout DS® system when compared to random capillary glucose in an at risk population, published in Diabetes Research and Clinical Practice in April 2013. Recent Scout DS® publications are as follows:

1. Tentolouis N. et al. Screening for HbA1c defined prediabetes and diabetes in an at risk Greek population: Performance comparison of random capillary glucose, the ADA diabetes risk test and skin fluorescence spectroscopy. Diabetes Research and Clinical Practice 2013: 100(1): 39 45.

2. Cleary PA. et al. Clinical and Technical Factors Associated with Skin Intrinsic Fluorescence in Subjects with Type 1 Diabetes from the DCCT/EDIC Study. Diabetes Technology and Therapeutics 2013:15(6): 466 474.

3. Orchard TJ. et al. The Association of Skin Intrinsic Fluorescence With Type 1 Diabetes Complications in the DCCT/EDIC Study. [Published online ahead of print June 28, 2013 Diabetes Care. Doi: 10.2337/dc12 2661.

4. Olson BP. et al. Noninvasive Skin Fluorescence Spectroscopy Is Comparable to Hemoglobin A1c and Fasting Plasma Glucose for Detection of Abnormal Glucose Tolerance. Journal of Diabetes Science and Technology 2013: 7(4): 990–1000.

5. Shah S. et al. Advanced glycation endproducts in children with diabetes. [Published online ahead of print August 5, 2013] Journal of Pediatrics. Doi: 10.1016/jpeds.2013.06.044.

6. Edward L. Hull, PhD et al. Non invasive skin fluorescence spectroscopy for detection of abnormal glucose tolerance. Journal of Clinical & Translational Endocrinology 1 (2014) 92e99

In addition to these current publications, the clinical and scientific evidence underlying the Scout DS® has been developed in a number of clinical studies, across more than 30 clinical sites and over 15,000 patients.

Key clinical evidence for Scout DS® includes:

1. ENGINE trial, a prospective, multi centre study which was conducted in 2010 on more than 500 patients at 12 clinical sites in the United States. The purpose of the ENGINE trial was a real world comparison of Scout DS® to fasting plasma glucose (FPG) and HbA1c (glycated hemoglobin) for diabetes screening, and using a 2 hour oral glucose tolerance test (OGTT) as the reference standard. FPG and HbA1c are common laboratory based diabetes tests. The study concluded that Scout DS® detection of abnormal glucose tolerance was equivalent to FPG and HbA1c at false positive rates that are appropriate for screening, and furthermore the sensitivity of Scout DS® was higher than that of FPG and HbA1c at their common diabetes screening thresholds.

2. POSSE trial, a 2012 comparison of Scout DS® against random capillary glucose (RCG) in a workplace screening model of more than 650 individuals in a four day period. The trial was conducted in collaboration with Blue Cross/Blue Shield of Louisiana using HbA1c as the reference standard. The study concluded that Scout DS® was more accurate than RCG in this setting.

3. NSEEDS trial, a 2010/2011, multi centre comparison of Scout DS® against FPG and Hba1c with 2 hour OGTT as the reference standard. In addition to demonstrating equivalence or superiority to existing methods, the study demonstrated reproducibility of the Scout DS® and showed that the coefficient of variation (CV) of the Scout DS® was equivalent to FPG.

4. GREECE trial, a 2011/2012, comparison of Scout DS® against random capillary glucose (RCG) and the American Diabetes Association diabetes risk test (ADADRT) with a 2 hour OGTT as the reference standard. The study demonstrated that the Scout DS® was superior to RCG and ADADRT for detection of diabetes and pre diabetes.

5. TCOYD trial, a 2010/2011, assessment of Scout DS® as an accurate tool for identifying individuals with previously diagnosed type 2 diabetes. The study demonstrated the Scout DS® tests ability to correctly identify 93.7% of previously identified diabetic individuals.

The ENGINE trial was a prospective, multi centre study conducted on more than 500 patients at 12 clinical sites in the United States. The purpose of the ENGINE trial was a real world comparison of Scout DS® to fasting plasma glucose (FPG) and HbA1c (glycated hemoglobin) for type 2 diabetes screening, using a 2 hour

oral glucose tolerance test (OGTT) as the reference standard. FPG and HbA1c are common laboratory based diabetes tests. All members of the study cohort were at risk for type 2 diabetes according to the ADA (American Diabetes Association) guidelines and therefore members of the intended use population for Scout DS®. The cohort also had a representative mixture of patient age, sex, ethnicity, and BMI (Body Mass Index).

On July 24, 2014, the Company announced the publication of results from the ENGINE (Evaluation of a Noninvasive Diabetes Screening Device in Subjects at Risk for Diabetes) study, which highlights the effectiveness of the Company's Scout DS® Non Invasive Diabetes Screening Device. The study, which is available online ahead of press publication by the Journal of Clinical and Translational Endocrinology, concluded that the elimination of overnight fasting, the absence of blood, and the rapid, real time communication of screening results are aspects of noninvasive skin fluorescence spectroscopy (Scout DS® measurement) that facilitate opportunistic screening of individuals at risk for type 2 diabetes, while delivering performance that is comparable to fasting plasma glucose and HbA1c testing for detection of abnormal glucose tolerance. The published article is entitled "Noninvasive Skin Fluorescence Spectroscopy for Detection of Abnormal Glucose Tolerance".

In the period since the acquisition of the Scout DS® technology closed, the Company has significantly advanced various initiatives to maintain and build Scout DS® market momentum, including:

- Maintaining ISO:13485 and ISO:9001 certification of the Scout DS® manufacturing facility in New Mexico, by successfully passing an ISO audit (facility was eventually shut down to facilitate a transition of manufacturing operations see below);

- Subsequently transitioning Scout DS® manufacturing operations under full quality standards from the New Mexico facility to a contract manufacturer in Philadelphia, Pennsylvania;

- Enabling new scientific research studies, with third party collaboration, exploring the potential for new market segments and test utility expansion;

- Working with Pear Healthcare Solutions to evolve distribution models for Scout DS® to the Canadian Pharmacy segment;

- Facilitating placement of the Scout DS® into a major Canadian retail/food pharmacy chain pilot program;

- Executing a major Agreement for the sales and distribution Scout DS® devices in Mainland China;

- Evaluating previous international Scout DS® distributors to identify opportunities for reappointment;

- Filing pre submission documentation with the FDA regarding the de novo classification of its Scout DS® device, as the next step in securing marketing clearance in the United States.

The Company's primary business model is to sell Scout DS® devices to established distributors in key market segments, which will then subsequently be rented or leased to their network of customers on a weekly, monthly or annual basis. These customers will utilize the devices to offer diabetes testing to the general public (the end user). The Company's revenues will be generated from the initial sale of the devices to the distributors, and in some models, will involve charging them a percentage of the rental or leasing revenue garnered from their customers, or a per test fee, and possibly fulfilling device servicing as well. In some markets, the Company may lease Scout DS® devices and screening kiosks to retailers directly. Use of the Scout DS® device also requires the additional purchase of proprietary consumable cleaning materials that will generate moderate additional revenue. Further revenues may be generated through territorial licensing, or through marketing partnerships with corporate brand partners who have an interest in further linking their brands and products with health and wellness and the convenient screening of pre-diabetics or type 2 diabetics, and may involve the payment of upfront, milestone and maintenance fees.

Our goals are now to reduce cost of manufacturing by >25%; singed a major Canadian distributor to support the local market; penetrate the Chinese market through a local JV partner; and lastly expand distribution to the South Africa and Indian market.

PreVu® Non Invasive Skin Cholesterol Point of Care (POC) Test

Coronary Artery Disease ("CAD") is a leading cause of death worldwide. CAD occurs when fat and cholesterol gradually accumulate in the coronary arteries, forming a plaque that narrows the artery and reduces blood flow to the heart. Undetected or untreated, this build-up of plaque can block the artery and cause a heart attack. A heart attack, also known as a myocardial infarction (MI), causes a part of the heart muscle to die, which weakens or prevents the heart's ability to pump blood. Worldwide, about 7.2 million people die from heart attacks every year.

In September 2010, the Company announced the acquisition of the PreVu® Non Invasive Skin Cholesterol Test technology, a new and non-invasive clinical tool to assist with risk assessment of CAD. As a new risk marker for heart disease, skin

cholesterol measurement provides first stage screening and valuable information to complement traditional CAD risk assessment. Skin contains roughly 11% of the body's cholesterol by weight and ages in parallel with vascular connective tissue. As blood vessel walls accumulate cholesterol, peer reviewed clinical data has shown that so too may skin tissues. An elevated skin cholesterol level is a reliable predictor of the risk of higher cholesterol accumulation in the arteries and, accordingly, the increased risk of heart disease. Elevated levels of skin cholesterol have been shown to be strongly associated with an increased risk of CAD as measured by treadmill stress testing and coronary angiography, as well as by testing for coronary calcium, carotid artery thickening and carotid artery plaque.

The PreVu® POC Test is conducted by placing a drop of detector reagent on the palm of the hand, held in place in a small well in a foam pad that adheres to the palm with medical grade adhesive, which binds selectively to the cholesterol in the skin. After a one minute incubation period, the area is blotted dry to remove any unbound detector solution and an indicator reagent is then added. When combined, a blue colour change occurs in direct proportion to the amount of skin cholesterol present. After two minutes, a hand held spectrophotometer (colour reader) is placed over the drop to precisely measure its hue, generating a measure of a patient's skin cholesterol value, which places the patient on a scale showing their risk of CAD based on clinical data for the biomarker. The results are immediately available.

In addition to the POC format of the test, the PreVu® technology has a lab processed format called the PreVu® Non Invasive Skin Cholesterol Lab Processed ("LP") Test or the PreVu® LP Test. This format of the test has been designed as a simple collection device that allows a patient or administrator to painlessly capture skin cells and cholesterol from the palm of the hand with a medical grade adhesive in about ten seconds. The sample is then sent into a central processing lab for measurement and results reporting.

The PreVu® POC Test has received Health Canada clearance and has been CE Marked for sale within the European Union. In Canada and the European Union, the PreVu® LP Test has been previously cleared for use as part of risk assessment for CAD. In the United States, the PreVu® POC Test has previously been cleared by the FDA for use as part of risk assessment for CAD in persons with a history of heart attack and/or in persons suspected of having significant multi vessel coronary artery disease (>50% stenosis, or blockage, in more than one vessel, as diagnosed by angiography). In the United States, skin cholesterol test results, when considered in conjunction with clinical evaluation, blood cholesterol and other risk factors identified for coronary artery disease, will aid a physician or healthcare practitioner in focusing diagnostic and patient management options.

The Company has conducted a strategic review of its PreVu® POC technology program. The Company placed a hold any ongoing initiatives or plans related to PreVu®.

Jamaica-Blu Ltd.

On September 28, 2017, the Company completed the acquisition of Jamaica-Blu Ltd. ("J-BLU"). J-BLU holds the exclusive Canadian licence of all current and future cannabis commercial products developed by Rise Research Inc. ("RISE"). RISE's cannabis commercial products are based on a patent pending formula, currently filed with the U.S. Patent and Trademark Office, to create precise cannabis-based formulations that may produce specifically targeted effects for various ailments including diabetes. Currently, RISE's portfolio consists of cannabis-based formulations which support patients with low libido called Jamaica blū and Jamaica pnk. Under the terms of the acquisition, Luminor Medical issued 9,500,000 common shares to the shareholders of J-BLU and paid $200,000 to RISE for intellectual property access.

The Company plans to launch its JBlu operations for medical use in Canada in Q1 2018 with the anticipation of the recreational use of cannabis in Canada in Q3 2018.

3.2 Significant Acquisitions and Dispositions

On September 28, 2017, the Company completed the acquisition of Jamaica-Blu Ltd. ("J-BLU"). J-BLU holds the exclusive Canadian licence of all current and future cannabis commercial products developed by Rise Research Inc. ("RISE"). RISE's cannabis commercial products are based on a patent pending formula, currently filed with the U.S. Patent and Trademark Office, to create precise cannabis-based formulations that may produce specifically targeted effects for various ailments including diabetes. Currently, RISE's portfolio consists of cannabis-based formulations which support patients with low libido called Jamaica blū and Jamaica pnk. Under the terms of the acquisition, Luminor Medical issued 9,500,000 common shares to the shareholders of J-BLU and paid $200,000 to RISE for intellectual property access.

The Company plans to launch its JBlu operations for medical use in Canada in Q1 2018 with the anticipation of the recreational use of cannabis in Canada in Q3 2018.

3.3 Trend, Commitments, Events or Uncertainties

Risks arising from financial instruments and risk management:

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. The Company identifies, evaluates and, where appropriate, mitigates financial risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The audit committee of the board is responsible to review the Company's risk management policies.

(i) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings or financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign exchange risk

The Company operates primarily within Canada although a portion of its expenses are incurred in other countries primarily the United States dollars ("US dollar"). Foreign exchange risk arises because the cost of transactions denominated in foreign currencies may vary due to changes in exchange rates. The Company has not entered into foreign exchange derivative contracts. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar would not have a significant effect on the Company's results of operations, financial position or cash flows.

Interest rate risk

The Company is subject to interest rate risk on its cash and cash equivalents and long term debt. The Company believes that interest rate risk is low as the Company does not hold any term deposits and interest earned on cash equivalents is variable.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's accounts receivable. The carrying amount of financial assets represents the maximum credit exposure. The Company believes there is insignificant credit risk associated with its accounts receivable based on the nature of the counterparties.

Financial instruments that potentially expose the Company to significant concentrations of credit risk consist principally of cash. The Company has

investment policies to mitigate against the deterioration of principal and to enhance the Company's ability to meet its liquidity needs.

(iii) Liquidity and Funding Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations. The Company manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional financing based on those forecasts.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. The Company manages its funding risk by forecasting its cash needs on a regular basis and continuously monitoring the stock price and other market conditions.

(c) Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern in order to pursue the development of its products and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable level; and

- To provide an adequate return to shareholders commensurate with the level of risk associated with a development stage biotechnology company.

The capital structure of the Company consists of cash, long term debt and equity comprising, issued capital, contributed surplus, warrants, and stock options.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, granting of stock options, the issuance of debt or by undertaking other activities as deemed appropriate under the specific circumstances.
The Company is not subject to externally imposed capital requirements. In order to maximize ongoing research and development of its products, the Company does not pay out dividends.

Other Risks and Uncertainty

The Company operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control, which could have a material adverse effect upon the Company, its

business and future prospects. Investors should carefully consider the risks and uncertainties described below. The risks and uncertainties described below are not exhaustive. There may be risks and uncertainties not presently known to the Company or that the Company believes to be immaterial which could adversely affect the Company and its business in the future.

Risks Related to the Company's Financial Condition

- The Company has mainly relied on equity and debt financing and grant funding to support operations and will continue to need significant amounts of additional capital. The Company intends to raise additional financing, as required, through research, partnering and licensing arrangements, the exercise of warrants and options, and through equity and/or debt financing. However, there can be no assurance that these financing efforts will be successful or that the Company will continue to be able to meet ongoing cash requirements. It is possible that financing will not be available or, if available, may not be on favourable terms. The Company may fail to obtain additional financing and be unable to fund operations and commercialize its product candidates. The availability of financing will be affected by the results of scientific and clinical research, the Company's ability to attain regulatory approvals, the market acceptance of the Company's products, the state of the capital markets generally (with particular reference to pharmaceutical, biotechnology and medical companies), the status of strategic alliance agreements, and other relevant commercial considerations. Any future equity financing could result in significant dilution to existing shareholders.

- The Company earned nil revenue in recent years on its commercial market development of the Scout DS® technologies but, in light of the length of time and expense associated with bringing new products through commercialization, obtaining regulatory approval and bringing products to market, operating losses are expected to continue unless and until the Company is able to generate sufficient revenues from the commercial sale or lease of its diagnostic products.

- The Company must meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt and failure to do so could cause the lender to demand on its security on the Company's long term debt. There can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

Risks Related to the Company's Business and Operations

- The Company is in various stages of development of diagnostic and risk assessment products and, as a result, is unable to predict whether it will be able to profitably commercialize its products. There can be no assurance that the Company will be able to commercialize its products.

- Failure to protect intellectual property, or infringement on the intellectual property rights of others, may impede the Company's ability to operate freely. There can be no assurance that the Company's intellectual property rights will not be challenged by third parties, that the Company will receive patents it seeks, or that the Company will receive any necessary licenses. The Company could incur substantial costs in enforcing its intellectual property rights or defending its intellectual property rights against claims brought by others. Luminor Medical views patents and other means of intellectual property protection as essential to the Company's core business by protecting the Company's proprietary technology from infringement by competitors. To that end, patents will be reviewed and continued to be sought in relation to those components or concepts of each of its pre clinical and clinical diagnostic products by management of the Company to ensure the highest level of protection possible given the Company's financial position is obtained. The Company requires all employees, consultants, and parties to collaborative research agreements to execute confidentiality agreements upon the commencement of employment, consulting relationships or a collaboration with the Company. These agreements require that all confidential information developed or made known during the course of the engagement with Luminor Medical is to be kept confidential. The Company also maintains agreements with scientific staff and all parties contracted in a scientific capacity, providing that all inventions resulting from work performed for Luminor Medical, using Luminor Medical's property, or relating to Luminor Medical's business and conceived or completed during the period covered by the agreement are the exclusive property of the Company. Despite these practices, there can be no assurance that the Company will be able to successfully protect its intellectual property rights.

- The Company's business is subject to significant government regulation and failure to achieve and maintain regulatory approval of diagnostic products would negatively affect its business. The process for obtaining such approval, including clinical trials, varies by country and type of product, and the process can be time consuming and costly.

- The Company is dependent on strategic partners, including clinical investigators and contract research organizations, as well as its lenders, as part of its diagnostic product development strategy, and it would be negatively affected if it is not able to initiate or maintain these relationships. Furthermore, a failure of any of these strategic partners to perform their obligations or to continue in the partnership could delay or halt the development strategy. There can be no assurance that these strategic partners will not pursue other technologies or develop alternative products competing with those of the Company. As well, there can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

- The Company may be dependent on others for the manufacture, development and sale of its products. If the Company is unable to establish or manage collaborations in the future, or if the Company encounters difficulties with these collaborations, there could be a delay in the manufacture, development and sale of products.

- Even if product candidates receive all of the required regulatory approvals, there is no guarantee of market acceptance or commercialization of the resulting product candidates, which will be determined by the Company's sales, marketing and distribution capabilities and the positioning and competitiveness of its diagnostic products compared with any alternatives.

- The Company's ability to successfully market certain diagnostic products may depend in part on the extent to which reimbursement for the cost of such products will be available from government health administration authorities, private health insurers and other organizations. Significant uncertainty exists as to whether newly approved healthcare products will qualify for reimbursement, or the timing by which such reimbursement can be secured. Furthermore, challenges to the price of medical products and services are becoming more frequent. There can be no assurance that adequate third party coverage will be available to establish price levels, which would allow the Company to realize an acceptable return on its investment in product development. Although non reimbursed, user pay models may be available to the Company, uncertainty exists to the degree to which lack of available reimbursement by government health administration authorities, private health insurers and other organizations could limit market adoption of the Company's products. Reimbursement issues and decisions vary country by country as to procedure and time for review and/or reimbursement approval.

- The Company's industry is characterized by intense competition and rapid change and a failure by the Company to react to such competition and change could have a material adverse effect on its business. Competitors may develop products that are more effective and less costly than those developed by the Company. There can be no assurance that developments by others will not cause the Company's products to become non-competitive.

- The Company may conduct development internationally and may be subject to laws and regulations of several countries which may affect the Company's ability to access regulatory agencies and may affect the enforceability and value of the Company's licenses and intellectual property.

- The testing and commercial use of diagnostic products involves exposure to product liability claims. Although the Company maintains liability insurance for certain claims, there is no assurance that such coverage will provide protection against all risks, or that such insurance will continue to be available on terms

which would be acceptable to the Company. If a product liability claim was brought against the Company, it could have a material adverse effect on the Company and its financial condition.

- The Company is dependent on certain members of its management and scientific staff. If the Company fails to retain this staff, or to hire qualified key personnel, the implementation of the Company's business plan could slow and the Company may be unable to successfully develop and commercialize products.

Risks Relating to the Company's Common Shares

- The Company has not paid any cash dividends on its common shares and, for the foreseeable future, the Company does not intend to pay any cash dividends on its common shares and therefore its shareholders may not be able to receive a return on their shares unless they sell them. The policy of the Board of Directors of the Company is to retain all available funds in operations. The Board of Directors may reassess this policy from time to time. Any decision to pay dividends on the common shares of Luminor Medical will be made by the Board of Directors based on the assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.

- The market price and trading volume of the Company's common shares have been volatile, and may continue to be volatile in the future. Variations in earnings estimates by securities analysts and the market prices of the securities of competitors may also lead to fluctuations in the trading price of the common shares. In addition, the financial markets may experience significant price and volume fluctuations that affect the market price of the Company's common shares that are not related to the Company's operating performance. Broad market fluctuation and economic conditions generally, and in the medical device sector specifically, may adversely affect the market price of the Company's common shares.

- The significant costs that the Company will incur as a result of being a public company in Canada could adversely affect its business.

4 Narrative Description of the Business

4.1 General

(a) state the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period:

Scout Assessment Corp.

The Company's business plan includes validating qualified licensing partners who will be responsible to invest in developing geographically defined markets under the guidance and direction of the Company. Since the Company acquired the Scout DS®, several pilots have been conducted by the Company in the pharmacy and employee workplace screening market segments. The Company will use the data, experience and knowledge it has gained about these market segments in order to provide general direction and guidance to newly established licensing partners. The new licensees would be responsible for all market development costs for their given territory and all costs related to regulatory approval in any given market (if required) under the direction of the Company.

The Company is focusing on an initial transaction in China through a joint venture partner. The joint venture partner would fund the approval process of the Scout DS in China and integrate the Scout DS into a larger set of health data or other initiative of the JV partner on China. The desired partners will have the ability to accelerate the approval of Scout DS by the China FDA, stimulate reimbursement by China insurance, and ideally have a clear path to distribution.

Jamaica Blu

The Company's objectives are to be recognized as a leading and trusted brand in the industry in Canada. The Company plans to commence the selling of products, through a licenced producer, into the ACMPR (medical) in Canada by April 1, 2018. The Company plans to commence the selling of products, through a licenced producer, into the adult use market in Canada by program launch day which is anticipated to be July 1, 2018. The Company plans to have 10,000 participants in clinical study by September 30, 2018.

(b) describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

Scout Assessment Corp.

The Company is in discussions with potential partners in China and an agreement will need to be completed to move forward on the China initiative. The Company anticipates the execution of an agreement in the first quarter of 2018.

Jamaica Blu

The Company plans to launch its brand in Canada by January 31, 2018. The anticipated cost for this milestone will be approximately $100,000. The Company needs to sign manufacturing contracts with a licenced producer which is

anticipated to occur by February 28, 2018. The costs including capital expenditures on this milestone is anticipated to be $250,000. The Company plans to launch a clinical study in Canada by June 30, 2018 with an anticipated cost of $100,000.

(c) disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital as of the most recent month end prior to filing the Listing Statement, and (ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b)

As at August 31, 2017, the Company had cash of $138,731 and a working capital deficiency of $908,380. On September 28, 2017, the Company announced the closing of a $2,242,320 financing. As at October 31, 2017, the Company had cash of approximately $1,500,000 and working capital of approximately $700,000.

(d) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

The Company plans to allocate approximately $800,000 of its cash towards its Jamaica Blu operations and the remaining funds will be used for finding a Joint Venture partner for the Scout DS and for working capital purposes.

(2) For principal products or services describe:

c) if not fully developed, the stage of development of the principal products or services and, if the products are not at the commercial production stage,

(i) the timing and stage of research and development programs,

Scout DS

The Scout DS has received approval to sell in Canada and Europe. The ISO-14385 certification was dropped in 2015 due to lack of funds which now requires the Company to re-establish the ISO certification and the Quality Management System before going to production.

Jamaica Blu

Formulations are fully developed. Currently our two lead products, A) oral spray and B) topical, are at 95% and 90% stage of manufacturing development respectively. The remaining development components pertain to the final

standard operating procedures and other potential variables pertaining to the contract manufacturing process.

Final research phase underway for initial release now. R&D is ongoing, particularly in view of the clinical study program, which will provide ongoing user feedback that will serve to continually improve the product formula.

(ii) the major components of the proposed programs, including an estimate of anticipated costs,

Scout DS

Business development / legal / negotiation ($100,000)
Re-certification Canada/Europe ($150,000)
Manufacturing of 20 units with new Manufacturer to comply with certification ($350,000)

Jamaica Blu

Delivery methods - oral spray, water, patch, sublingual, oral strip, eye drops, nasal spray ($75K- $100K)
Formulations - THC and CBD, continual improvement ($100K)
Packaging - various child-resistant approaches, tamper evident, etc. ($25,000)
Clinical research studies ($100,000/year)
Technology to support research studies (apps, help desk - $100,000)

(iii) whether the Issuer is conducting its own research and development, is subcontracting out the research and development or is using a combination of those methods

Scout DS

The research is completed and there are no plans for further research in the next 12 months.

Jamaica Blu

Combination of internal research and subcontracted research.

(iv) the additional steps required to reach commercial production and an estimate of costs and timing.

Scout DS

The registered production site of Scout DS is currently with AVO Photonics (Philadelphia, Pen, USA). The Company has negotiated with Creation Technologies Inc. a manufacturing agreement at a much lower production cost than AVO. The service offered by Creation is full manufacturing, servicing and shipping.

Jamaica Blu

Final formulation testing (45 days and $30,000)
Package/delivery testing (60 days and $100,000 - including capex for packaging line)
Contract manufacturer (4 months total and approximately $125K for each)
Negotiate and finalize terms/contract
Plan augmentation to manufacturing facility to accommodate our requirements
Install equipment
Develop SOPs and training
Implement and test

(3) Concerning production and sales, disclose:

a) the actual or proposed method of production of products and if the Issuer provides services, the actual or proposed method of providing services;

Scout DS

Contract Manufacturer

Jamaica Blu

Contract Manufacturer

b) the payment terms, expiration dates and terms of any renewal options of any material leases or mortgages, whether they are in good standing and, if applicable, that the landlord or mortgagee is a Related Person of the Issuer;

N/A

c) specialized skill and knowledge requirements and the extent that the skill and knowledge are available to the Issuer;

Scout DS

The Company has the knowledge and expertise to develop and commercialize the Scout DS internationally.

Jamaica Blu

Analytical chemist
Process engineer
Operations manager

d) the sources, pricing and availability of raw materials, component parts or finished products;

Scout DS

The Scout DS parts are sourced from various manufacturers in the United States and Canada or internationally.

Jamaica Blu

All raw materials will be available through the resources of contract manufacturers, which may include local or national suppliers, or imported.

e) the importance, duration and effect on the segment of identifiable intangible properties such as brand names, circulation lists, copyrights, franchises, licences, patents, software, subscription lists and trademarks;

Scout DS

Trademark - Scout DS (Worldwide)
Patents - Multiple patents worldwide. Key US patent 8078243 expiring in November 2026
Trade secret – The Company has a proprietary algorithm and secret which is the heart of Scout DS.

Jamaica Blu

Brand name - high importance, long term, major differentiator
Circulation lists - low importance, short term, low effect
Copyrights - Medium importance, long term, medium differentiator
Franchises - Not contemplated at this time
Licenses - high importance, long term, major effect due to ability to produce
Patents - high importance, long term, secures position in market and improves valuation
Software - high importance, long term, enables business to market well and run well.
Subscription Lists - medium importance, long term, tied to marketing
Trademarks - high importance, long term, links to and supports the brand

f) the extent to which the business of the segment is cyclical or seasonal;

Scout DS

Not cyclical or seasonal

Jamaica Blu

Not anticipated to be cyclical or seasonal, although we may anticipate a moderate increase during winter holiday season.

g) a description of any aspect of the Issuer's business that may be affected in the 12 months following the date of the Listing Statement by renegotiation or termination of contracts or sub-contracts and the likely effect;

Scout DS

None

Jamaica Blu

The primary risk is with the contract manufacturing arrangements. Therefore our strategy is to have two manufacturers feeding our supply chain that will allow for continuation of business in the event one or the other is unable to supply the full commitment of our contracts.

5.0 Selected Consolidated Financial Information

Annual Information

DESCRIPTION	30 Nov 2016	30 Nov 2015	30 Nov 2014
	AMOUNT $	AMOUNT $	AMOUNT $
Revenues	-	9,146	12,459
Net (loss) for the year	(1,108,642)	(3,286,190)	(1,913,737)
Basic & diluted loss per share	(0.50)	(1.90)	(3.02)
Total assets	443,619	371,111	2,609,252
Total long-term financial liabilities	2,587,932	-	1,653,427
Dividends	-	-	-

Quarterly Information

	2017-Q3	2017-Q2	2017-Q1	2016-Q4
Revenue	-	-	-	-
Loss	277,983	412,735	599,674	445,653
Loss per share	0.03	0.04	0.08	0.17

	2016–Q3	2016-Q2	2016-Q1	2015-Q4
Revenue	-	-	-	-
Loss	198,484	220,897	242,609	1,366,123
Loss per share	0.10	0.11	0.12	0.76

6. Management's Discussion and Analysis

See attached Appendix A for the Luminor Medical Technologies Inc. Management Discussion and Analysis for the year ended November 30, 2016.

See attached Appendix B for the Luminor Medical Technologies Inc. Management Discussion and Analysis for the quarter ended August 31, 2017.

7. Market for Securities

Luminor Medical's common shares are currently listed on the TSX Venture Exchange under the symbol LMT.

8. Consolidated Capitalization

Common shares issued and outstanding	
As at November 30, 2016	4,023,153
Issue of common shares on private placement	19,999,407
Issue of common shares on exercise of warrants	88,889
Issue of common shares on conversion of debenture	125,000
Acquisition of Jamaica Blu Ltd.	9,500,000
As at November 21, 2017	33,836,449
Options outstanding	
As at November 30, 2016	133,820
Granted	650,000
Expired	(104,360)
As at November 21, 2017	679,460
Warrants outstanding	
As at November 30, 2016	1,478,140
Issue of warrants on private placement	11,002,651
Exercise of warrants	(88,889)
Expired	(415,640)
As at November 21, 2017	11,976,262

9. Options to Purchase Securities

Luminor Medical has no options outstanding as of the date of this Listing Statement.

10. Description of the Securities

10.1 General

The following is a summary of the material provisions which attach to the classes of shares of Luminor Medical's capital stock and is qualified by reference to the full text of the rights, privileges, restrictions and conditions of such shares.

The authorized capital of Luminor Medical consists of an unlimited number of Common Shares. As of the date of this Listing Agreement, there are 33,836,449 Common Shares.

There are no indentures or agreements existing or proposed limiting the payment of dividends, and there are no special liquidation rights or pre-emptive rights. The presently outstanding share capital is not subject to any call or assessment, all having been issued as fully paid and non-assessable.

10.2 Debt Securities

On July 31, 2016, a company with a common officer subscribed to a secured convertible note in the amount of $100,000, bearing interest at 8% per annum and maturing on December 31, 2017. The note is convertible at $0.20 per share.

10.7 Prior Sales

On October 24, 2016, the Company closed a private placement offering of 2,045,000 units ("Units") at a price of $0.15 per Unit for gross proceeds of $306,750. Each Unit comprises one common share of the Company and one half of one Share purchase warrant. Each whole warrant entitles the holder to purchase one Share at a price of $0.25 per Share until October 24, 2018.

On December 28, 2016, the Company closed a private placement offering of 5,050,609 units at a price of $0.225 per Unit for gross proceeds of $1,136,388. Each Unit comprises one common share of the Company and one half of one Share purchase warrant. Each whole warrant entitles the holder to purchase one Share at a price of $0.30 per Share until December 28, 2018. The Company issued 137,280 broker warrants exercisable at $0.30 until December 28, 2018.

On December 31, 2016, the $25,000 convertible debenture was converted at $0.20 per share; 125,000 common shares were issued.

On February 23, 2017, 66,667 warrants of the Company were exercised at $0.25 per share for gross proceeds of $16,667.

On April 13, 2017, 22,222 warrants of the Company were exercised at $0.30 per share for gross proceeds of $6,667.

On September 28, 2017, the Company closed a private placement offering of 14,948,798 units at a price of $0.15 per Unit for gross proceeds of $2,242,319.70. Each Unit comprises one common share of the Company and one half of one Share purchase warrant. Each whole warrant entitles the holder to purchase one Share at a price of $0.25 per Share until September 28, 2019. The Company issued 865,669 broker warrants exercisable at $0.25 until September 28, 2019.

On September 28, 2017, the Company issued 9,500,000 common shares on the acquisition of Jamaica-Blu Ltd.

10.8 Stock Exchange Price:

Date	High	Low	Volume
November 2017	0.165	0.13	289,823
October 2017	0.25	0.165	247,611
Q3 - 2017	0.23	0.16	793,907
Q2 - 2017	0.59	0.175	1,949,586
Q1 - 2017	0.75	0.39	990,434
Q4 - 2016	0.42	0.27	326,883
Q3 - 2016	0.35	0.14	333,478
Q2 - 2016	0.33	0.165	358,264

11. Escrowed Securities

There are no current Common Shares that are or will be escrowed.

12. Principal Shareholders

Common shares

Name of Shareholder	**Number of Common Shares**	**Ownership**	**Percentage**
Harry Bloomfield, Director	109,260	Direct	0.3%
Ashwath Mehra, Director	227,769	Direct	0.7%
Christian Sauvageau, CEO & Director	577,778	Direct	1.7%
Anton Mattadeen, Director	1,900,000	Direct	5.6%
Chris Carmichael, CFO	1,004,443	391,111 through Bradstone Financial Corp., 613,332 direct	3.0%

Percentage ownership on a fully diluted basis, Harry Bloomfield – 0.6%, Ashwath Mehra – 0.6%, Christian Sauvageau – 2.3%, Anton Mattadeen – 4.0%, Chris Carmichael – 4.4%.

13. Directors and Officers

Name and Residence	Principal Occupation For Last Five Years	Period during which served as a director	Shares Held or Beneficially Owned(1)
Harry Bloomfield (1) Director	Mr. Bloomfield is principal and managing partner of the law firm Bloomfield & Avocats.	Since March 30, 2011	109,260
Ashwath Mehra (1) Director	Mr. Mehra is currently the Chief Executive Officer of ASTOR Management AG., a resource advisory and investment business.	Since Sept 2, 2016	227,769
Christian Sauvageau (1) Director & CEO	Mr. Sauvageau is currently the CEO of Luminor Medical and President of CSCG Inc. Prior to Luminor Medical, Mr. Sauvageau was Vice President of the Customer Innovation Business Unit at Merck Canada Ltd.	Since April 21, 2016	577,778
Anton Mattadeen Director	Mr. Mattadeen is currently the CEO of Rise Research Inc.	Since September 28, 2017	1,900,000
Chris Carmichael CFO & Corporate Secretary	Mr. Carmichael is currently the president of CRIS Inc.	Since February 1, 2016	1,004,443 (2)

Notes:

(1) member of the audit committee
(2) Chris Carmichael owns 613,332 directly and is the CEO of Bradstone Financial Corp. which owns 391,111 shares.

Chris Carmichael (42 years old), CFO & Corporate Secretary, is the president of CRIS Inc. and is a CPA (CGA). CRIS Inc. provides financial reporting, bookkeeping and other services for the Company. Through CRIS Inc., Mr. Carmichael will devote 33% of his time to the business of Luminor Medical. For the past 20 years, Mr. Carmichael has been the CEO, CFO and/or corporate secretary for a number of TSXV/CSE issuers.

Christian Sauvageau (54 years old), CEO & Director, is responsible for setting the strategic direction of Luminor Medical and for overseeing its day-to-day management. Prior to joining Luminor, Mr. Sauvageau founded his consulting firm, CSCG Inc., where he

supported a select number of start-up and medical technology companies. Prior to starting CSCG Inc. in 2014, Mr. Sauvageau was Vice President of the Customer Innovation Business Unit at Merck Canada Ltd where he introduced innovative products and practices and contributed to the EUCAN Beyond the Pill strategy. During his 29 years at Merck & Co., Mr. Sauvageau also held senior sales, marketing, and business development positions. He has national and international experience and has been instrumental in launching major brands in multiple therapeutic areas in addition to driving successful transformation activities. Mr. Sauvageau graduated with a B.Sc.(Biochemistry) from University Laval in Quebec, Canada and was an Officer of the Canadian Armed Forces. Christian combined a high degree of ethics and integrity to a passion for patient health and business results.

The term of office of each director expires at the next annual meeting of shareholders of Luminor.

As at the date of this Circular, after giving effect to the Transaction, to the best of Luminor's knowledge, the directors and executive officers of Luminor will own, as a group, or exercise control or direction over, directly or indirectly, approximately 11.3% of the issued and outstanding Common Shares of Luminor Medical.

During the last five years, the directors and executive officers of Luminor Medical have been engaged in their current principal occupations or in other capacities with the companies or firms indicated opposite their names or with related or affiliated companies.

Cease Trade Orders and Bankruptcies

To the knowledge of the Corporation, other than detailed below, no proposed director of the Corporation (i) is, or has been within the last ten years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity, (a) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation (collectively, an "**Order**"), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; (ii) is, or has been within the last ten years before the date of this Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, 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; or (iii) has, within the last ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become

subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

In November 2012, Christian Sauvageau completed a commercial proposal by bankruptcy in the province of Quebec, Canada.

Penalties or Sanctions

No proposed director of the Corporation has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Conflicts of interest

Conflicts of interest may arise which could influence these individuals in generally acting on behalf of Luminor Medical. Pursuant to the CBCA, directors will be required to act honestly and in good faith with a view to the best interests of Luminor Medical. As required under the CBCA: (a) a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer of Luminor Medical, must promptly disclose the nature and extent of that conflict; and (b) a director who holds a disclosable interest (as that term is used in the CBCA) in a contract or transaction into which Luminor Medical has entered or proposes to enter may generally not vote on any directors' resolution to approve the contract or transaction.

14. Capitalization

14.1 Issued Capital:

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	%of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	33,836,449	46,992,171	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	5,719,250	7,508,687	16.9%	16.0%
Total Public Float (A-B)	28,117,199	39,483,484	83.1%	84.0%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	14,948,798	8,340,068	44.2%	17.7%

Total Tradeable Float (A-C)	18,887,651	38,652,103	55.8%	82.3%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	-	-
100 – 499 securities	-	-
500 – 999 securities	1	833
1,000 – 1,999 securities	-	-
2,000 – 2,999 securities	6	13,944
3,000 – 3,999 securities	1	3,200
4,000 – 4,999 securities	1	4,000
5,000 or more securities	82	28,095,222
	91	28,117,199

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	381	12,631
100 – 499 securities	333	80,345
500 – 999 securities	120	84,647
1,000 – 1,999 securities	120	154,253
2,000 – 2,999 securities	69	157,624
3,000 – 3,999 securities	32	106,083
4,000 – 4,999 securities	31	127,310
5,000 or more securities	234	27,394,306
	1,320	28,117,199

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	-	-
100 – 499 securities	-	-
500 – 999 securities	-	-
1,000 – 1,999 securities	-	-
2,000 – 2,999 securities	-	-
3,000 – 3,999 securities	-	-
4,000 – 4,999 securities	-	-
5,000 or more securities	6	5,719,250
	6	5,719,250

15. Executive Compensation

Christian Sauvageau, has a consulting contract through his company, CSCGI at a rate of $120,000 per annum.

Chris Carmichael, has a month to month consulting contract through his company, CRIS Inc. with a fee of $7,000 per month.

16. Indebtedness of Directors and Executive Officers

As of the date of this Listing Statement, the directors and officers have not been indebted to Luminor Medical.

17. Risk Factors

RISK FACTORS

The following risk factors should be given special consideration, in addition to other information contained in this Circular, when evaluating an investment of Luminor Medical's securities. In addition, please refer to the risk factors listed above under the heading "Management's Discussion and Analysis- the Corporation, *Risks and Uncertainties*". An investment in the securities qualified hereunder is speculative and involves a significant degree of risk. Investors should carefully review and consider the following factors together with the other information contained in this Summary.

Risks arising from financial instruments and risk management:

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. The Company identifies, evaluates and, where appropriate, mitigates financial risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The audit committee of the board is responsible to review the Company's risk management policies.

(i) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings or financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign exchange risk

The Company operates primarily within Canada although a portion of its expenses are incurred in other countries primarily the United States dollars ("US dollar"). Foreign exchange risk arises because the cost of transactions denominated in foreign currencies may vary due to changes in exchange rates. The Company has not entered into foreign exchange derivative contracts. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar would not have a significant effect on the Company's results of operations, financial position or cash flows.

Interest rate risk

The Company is subject to interest rate risk on its cash and cash equivalents and long term debt. The Company believes that interest rate risk is low as the

Company does not hold any term deposits and interest earned on cash equivalents is variable.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's accounts receivable. The carrying amount of financial assets represents the maximum credit exposure. The Company believes there is insignificant credit risk associated with its accounts receivable based on the nature of the counterparties.

Financial instruments that potentially expose the Company to significant concentrations of credit risk consist principally of cash. The Company has investment policies to mitigate against the deterioration of principal and to enhance the Company's ability to meet its liquidity needs.

(iii) Liquidity and Funding Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations. The Company manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional financing based on those forecasts.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. The Company manages its funding risk by forecasting its cash needs on a regular basis and continuously monitoring the stock price and other market conditions.

(c) Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern in order to pursue the development of its products and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable level; and

- To provide an adequate return to shareholders commensurate with the level of risk associated with a development stage biotechnology company.

The capital structure of the Company consists of cash, long term debt and equity comprising, issued capital, contributed surplus, warrants, and stock options.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, granting of stock options, the issuance of debt or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements. In order to maximize ongoing research and development of its products, the Company does not pay out dividends.

Other Risks and Uncertainty

The Company operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control, which could have a material adverse effect upon the Company, its business and future prospects. Investors should carefully consider the risks and uncertainties described below. The risks and uncertainties described below are not exhaustive. There may be risks and uncertainties not presently known to the Company or that the Company believes to be immaterial which could adversely affect the Company and its business in the future.

Risks Related to the Company's Financial Condition

- The Company has mainly relied on equity and debt financing and grant funding to support operations and will continue to need significant amounts of additional capital. The Company intends to raise additional financing, as required, through research, partnering and licensing arrangements, the exercise of warrants and options, and through equity and/or debt financing. However, there can be no assurance that these financing efforts will be successful or that the Company will continue to be able to meet ongoing cash requirements. It is possible that financing will not be available or, if available, may not be on favourable terms. The Company may fail to obtain additional financing and be unable to fund operations and commercialize its product candidates. The availability of financing will be affected by the results of scientific and clinical research, the Company's ability to attain regulatory approvals, the market acceptance of the Company's products, the state of the capital markets generally (with particular reference to pharmaceutical, biotechnology and medical companies), the status of strategic alliance agreements, and other relevant commercial considerations. Any future equity financing could result in significant dilution to existing shareholders.

- The Company earned nil revenue in recent years on its commercial market development of the Scout DS® technologies but, in light of the length of time and expense associated with bringing new products through commercialization, obtaining regulatory approval and bringing products to market, operating losses

are expected to continue unless and until the Company is able to generate sufficient revenues from the commercial sale or lease of its diagnostic products.

- The Company must meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt and failure to do so could cause the lender to demand on its security on the Company's long term debt. There can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

Risks Related to the Company's Business and Operations

- The Company is in various stages of development of diagnostic and risk assessment products and, as a result, is unable to predict whether it will be able to profitably commercialize its products. There can be no assurance that the Company will be able to commercialize its products.

- Failure to protect intellectual property, or infringement on the intellectual property rights of others, may impede the Company's ability to operate freely. There can be no assurance that the Company's intellectual property rights will not be challenged by third parties, that the Company will receive patents it seeks, or that the Company will receive any necessary licenses. The Company could incur substantial costs in enforcing its intellectual property rights or defending its intellectual property rights against claims brought by others. Luminor Medical views patents and other means of intellectual property protection as essential to the Company's core business by protecting the Company's proprietary technology from infringement by competitors. To that end, patents will be reviewed and continued to be sought in relation to those components or concepts of each of its pre clinical and clinical diagnostic products by management of the Company to ensure the highest level of protection possible given the Company's financial position is obtained. The Company requires all employees, consultants, and parties to collaborative research agreements to execute confidentiality agreements upon the commencement of employment, consulting relationships or a collaboration with the Company. These agreements require that all confidential information developed or made known during the course of the engagement with Luminor Medical is to be kept confidential. The Company also maintains agreements with scientific staff and all parties contracted in a scientific capacity, providing that all inventions resulting from work performed for Luminor Medical, using Luminor Medical's property, or relating to Luminor Medical's business and conceived or completed during the period covered by the agreement are the exclusive property of the Company. Despite these practices, there can be no assurance that the Company will be able to successfully protect its intellectual property rights.

- The Company's business is subject to significant government regulation and failure to achieve and maintain regulatory approval of diagnostic products would

negatively affect its business. The process for obtaining such approval, including clinical trials, varies by country and type of product, and the process can be time consuming and costly.

- The Company is dependent on strategic partners, including clinical investigators and contract research organizations, as well as its lenders, as part of its diagnostic product development strategy, and it would be negatively affected if it is not able to initiate or maintain these relationships. Furthermore, a failure of any of these strategic partners to perform their obligations or to continue in the partnership could delay or halt the development strategy. There can be no assurance that these strategic partners will not pursue other technologies or develop alternative products competing with those of the Company. As well, there can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

- The Company may be dependent on others for the manufacture, development and sale of its products. If the Company is unable to establish or manage collaborations in the future, or if the Company encounters difficulties with these collaborations, there could be a delay in the manufacture, development and sale of products.

- Even if product candidates receive all of the required regulatory approvals, there is no guarantee of market acceptance or commercialization of the resulting product candidates, which will be determined by the Company's sales, marketing and distribution capabilities and the positioning and competitiveness of its diagnostic products compared with any alternatives.

- The Company's ability to successfully market certain diagnostic products may depend in part on the extent to which reimbursement for the cost of such products will be available from government health administration authorities, private health insurers and other organizations. Significant uncertainty exists as to whether newly approved healthcare products will qualify for reimbursement, or the timing by which such reimbursement can be secured. Furthermore, challenges to the price of medical products and services are becoming more frequent. There can be no assurance that adequate third party coverage will be available to establish price levels, which would allow the Company to realize an acceptable return on its investment in product development. Although non reimbursed, user pay models may be available to the Company, uncertainty exists to the degree to which lack of available reimbursement by government health administration authorities, private health insurers and other organizations could limit market adoption of the Company's products. Reimbursement issues and decisions vary country by country as to procedure and time for review and/or reimbursement approval.

- The Company's industry is characterized by intense competition and rapid change and a failure by the Company to react to such competition and change could have a material adverse effect on its business. Competitors may develop products that are more effective and less costly than those developed by the Company. There can be no assurance that developments by others will not cause the Company's products to become non-competitive.

- The Company may conduct development internationally and may be subject to laws and regulations of several countries which may affect the Company's ability to access regulatory agencies and may affect the enforceability and value of the Company's licenses and intellectual property.

- The testing and commercial use of diagnostic products involves exposure to product liability claims. Although the Company maintains liability insurance for certain claims, there is no assurance that such coverage will provide protection against all risks, or that such insurance will continue to be available on terms which would be acceptable to the Company. If a product liability claim was brought against the Company, it could have a material adverse effect on the Company and its financial condition.

- The Company is dependent on certain members of its management and scientific staff. If the Company fails to retain this staff, or to hire qualified key personnel, the implementation of the Company's business plan could slow and the Company may be unable to successfully develop and commercialize products.

Risks Relating to the Company's Common Shares

- The Company has not paid any cash dividends on its common shares and, for the foreseeable future, the Company does not intend to pay any cash dividends on its common shares and therefore its shareholders may not be able to receive a return on their shares unless they sell them. The policy of the Board of Directors of the Company is to retain all available funds in operations. The Board of Directors may reassess this policy from time to time. Any decision to pay dividends on the common shares of Luminor Medical will be made by the Board of Directors based on the assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.

- The market price and trading volume of the Company's common shares have been volatile, and may continue to be volatile in the future. Variations in earnings estimates by securities analysts and the market prices of the securities of competitors may also lead to fluctuations in the trading price of the common shares. In addition, the financial markets may experience significant price and volume fluctuations that affect the market price of the Company's common shares that are not related to the Company's operating performance. Broad market fluctuation and economic conditions generally, and in the medical device sector

specifically, may adversely affect the market price of the Company's common shares.

- The significant costs that the Company will incur as a result of being a public company in Canada could adversely affect its business.

18. Promoters

Luminor Medical does not have a promoter.

19. Legal Proceedings

Luminor Medical does not have any material legal proceedings.

20. Interest of Management and Others in Material Transactions

Other then previously disclosed, Luminor Medical's Management does not have any interest in Material Transactions.

21. Auditors, Transfer Agents and Registrars

The auditors of Luminor Medical are MNP LLP., 900 - 50 Burnhamthorpe Road West, Sussex Centre Mississauga, Ontario, L5B 3C2, since their appointment in February 2017.

AST Trust Company, at its principal offices located at 1 Toronto St Suite 1200, Toronto, ON M5C 2V6, are the transfer agent and registrar of the Common Shares.

22. Material Contracts

The only material contracts entered into, or to be entered into, by Luminor Medical since the date of its incorporation, other than those entered into in the ordinary course of business, are the following:

1. Three cornered amalgamation agreement with Jamaica-Blu Ltd.

Copies of the above-mentioned agreements may be consulted at the registered office of Luminor and at the offices of Luminor Medical, B2 – 125 The Queensway, Suite 217, Toronto, ON M8Y 1H6, during normal business hours.

23 Interest of Experts

None

24. Other Material Facts

None

25. Financial Statements

See attached Appendix C for the Luminor Medical Technologies Inc. audited financial statements as at November 30, 2016. See attached Appendix D for the Luminor Medical Technologies Inc.'s unaudited financial statements as at August 31, 2017.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, (full legal name of the Issuer), hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to (full legal name of the Issuer). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario

this 21st day of November, 2017.

Chief Executive Officer	Chief Financial Officer
Christian Sauvageau	Chris Carmichael
Director	Director
Christian Sauvageau	Anton Mattadeen

APPENDIX A

MD&A for the year ended November 30, 2016

The following management's discussion and analysis ("MD&A") is current to March 30, 2017 and should be read in conjunction with Luminor Medical Technologies Inc.'s (formerly Miraculins Inc.) ("Luminor" or the "Company") consolidated financial statements for the year ended November 30, 2016, which have been prepared under International Financial Reporting Standards ("IFRS"). Except as otherwise noted, the financial information contained in this MD&A and in the audited consolidated financial statements has been prepared in accordance with IFRS. All amounts are expressed in Canadian Dollars unless otherwise noted. Additional information regarding the Company is available on SEDAR at www.sedar.com and on the Company's website at www.luminormedical.com.

On April 13, 2016, the Company completed a 25 for 1 common share consolidation affected all of the Company's outstanding common shares as at the effective date; as a result, the prior year presentation of earnings per share and share capital in the consolidated financial statements has been restated.

Overview

Luminor is a medical diagnostic company focused on acquiring, developing and commercializing non-invasive technologies for unmet clinical needs. The Company's Scout DS® device has been developed as a clinical tool to assist in the identification of both prediabetes and type 2 diabetes, and is the first non-invasive testing system designed to provide a highly sensitive and convenient method for measuring prediabetes/type 2 diabetes related biomarkers in the skin, the accumulation of which are accelerated by abnormal blood sugar levels and oxidative stress. Unlike current testing methods, a Scout DS® test requires no blood draw, no fasting, and no waiting for a lab result. The product has been used and validated in thousands of patients around the world.

On February 24, 2016, the Company announced that as a result of capital markets that continue to be challenging, the Company has developed a new business plan that will dramatically reduce its need for capital. The plan calls for the Company to achieve this by changing its core focus to manufacturing the Scout DS® device in the most economically feasible way possible, and to market exclusive territorial license rights to the Scout DS® to qualified third parties well positioned in their regional market segments.

On June 22, 2016, the Company announced a corporate update which includes the plan for additional revenue streams in the diabetes sector, amendment to its secured loans and the addition of Chief Executive Officer, Christian Sauvageau to the Board of Directors.

The Company, through its newly formed subsidiary, MedPath Vitality Corp. ("MedPath Vitality®"), plans to launch a new program that will help overweight consumers with chronic disease risk such as diabetes to improve their overall health and wellness. The MedPath Vitality program is an evolving Health Management program, which offers timely, respectful, caring and personalized solutions to consumers seeking a path to a healthier life. Individuals who have been identified with prediabetes or type 2 diabetes through the Scout DS® device are potential candidates for the MedPath Vitality program. Launching of the MedPath Vitality program will depend upon the completion of an equity and or debt financing.

As a part of the corporate restructure, the Company entered into a license agreement with its newly formed wholly owned subsidiary, Scout Assessment Corp. ("Scout Corp"), whereby all revenue related to the Company's Scout DS® diabetes screening device and the PreVu® assets including current contracts and future contracts will flow through Scout Corp. The Company has entered into amending agreements to transfer its CDN$1,611,334 in secured loans (the "Loans") from Luminor Medical to Scout Corp. The Loans are secured through a general security agreement against Scout Corp. and the security interest against Luminor Medical has been discharged. The maturity date has been extended from a current obligation to $300,000 due on December 31, 2018, $400,000 due on December 31, 2019, $600,000 due on December 31, 2020 and $311,334 plus all accrued interest and any other amounts due on December 31, 2021. The principal and interest payments will be accelerated based on payments of ten percent (10%) of all gross sales on Scout Corp Assets.

The Company's business plan includes validating qualified licensing partners who will be responsible to invest in developing geographically defined markets under the guidance and direction of the Company. Since the Company acquired the Scout DS®, several pilots have been conducted by the Company in the pharmacy and employee workplace screening market segments. The Company will use the data, experience and knowledge it has gained about these market segments in order to provide general direction and guidance to newly established licensing partners. The new licensees would be responsible for all market development costs for their given territory and all costs related to regulatory approval in any given market (if required) under the direction of the Company.

The Company plans that its main revenue stream will be generated from the sale or rental of the Scout DS® devices (including ongoing trailer fees per test), as well as from receipt of territorial license fees, and the ongoing sale of related Scout DS® products and services.

While under the strategic review process, as part of a broad operating cost reduction strategy, Luminor chose not to re-apply for

ISO 13485 certification. It is Luminor's intention to become re-certified after the Company's next financing as it moves forward with achieving full production capabilities of the Scout DS device. The Company will not be able to sell or distribute any Scout devices in any of the markets where it has achieved regulatory clearance until the Company becomes ISO 13485 compliant.

Overall Performance

Recent Developments

Developments indicated are at the time of the dates specified.

On December 23, 2014, the Company announced that it has executed an amendment (the "Amendment") to the asset purchase agreement dated June 28, 2013 between Luminor and VeraLight Inc. ("VeraLight") (the "APA"), wherein Luminor acquired all of the relevant assets relating to VeraLight's Scout DS® non invasive diabetes screening technology. The Amendment eliminates the majority of the Company's remaining obligations and terminates the obligation to issue equity to VeraLight under the APA.

In connection with the Amendment, the Company has made a one time payment of CDN $500,000 to VeraLight. In addition to the one time payment, the Company has issued 40,000 new common share purchase warrants (the "Warrants") to VeraLight at an exercise price of CDN $6.25 per share with a term expiring on the fifth anniversary after issuance. Of these, 18,000 of the Warrants will vest immediately and the remaining 22,000 Warrants will vest upon the earlier of (i) 12 months from the date of issuance, or (ii) a Liquidity Event (as defined in the Amendment). No common shares or warrants have previously been issued to VeraLight, and on the closing of the Amendment, VeraLight will have no right to receive common shares of the Company other than the Warrants described above.

On January 27, 2015, the Company announced that it will be commencing a pilot program with Lovell Drugs Ltd. ("Lovell") and Pear Healthcare Solutions Inc. ("Pear") that will see the placement of the first stand alone, Scout DS® diabetes screening kiosks in Lovell's retail pharmacy locations in Ontario beginning in February 2015. Lovell is the oldest and one of the largest, independent drug store chains in Ontario and has been family owned and community minded for more than 100 years, with a reputation for innovative programming and forward thinking product/service delivery.

This proof of concept pilot is being conducted to demonstrate that a stand alone Scout DS® diabetes screening kiosk set up inside a pharmacy location, has the ability to not only deliver a rapid, non invasive and superior diabetes screening clinic, but can be additionally purposed to generate a meaningful financial return on investment (ROI) for the pharmacy that would not have otherwise, or readily been achievable.

With a proven ROI model that could be easily reproduced in any pharmacy setting – independent as well as national chains – Luminor could then make the business case for pharmacies to lease Scout DS® screening kiosks on a regular basis throughout the calendar year, to both meet the diabetes screening needs of their customers and to generate new retail revenue. The Company believes that the model it is developing will have application for retail pharmacy and pharmacy/grocery operations in North America and for similar retail settings in Europe and other countries as well.

On February 18, 2015, the Company announced that it had filed pre submission documentation to the U.S. Food and Drug Administration regarding the de novo classification of its Scout® diabetes device, as a next step towards securing marketing clearance in the United States.

On March 5, 2015, the Company announced that its Scout DS® Diabetes Screening Kiosk pilot being conducted in partnership with Lovell Drugs Ltd. and Pear Healthcare Solutions Inc., has to date identified 145 individuals, or 41% of those screened in just 16 days, to be at elevated risk for pre diabetes or type 2 diabetes. All customers who were identified as being at risk by the Scout DS® were recommended to follow up with their physician for confirmatory blood testing. The Company also reports that pilot participants were pleased to complete a touch screen survey while seated for their complimentary and non invasive Scout DS® diabetes test, which resulted in the acquisition of valuable and traditionally difficult to procure consumer information. The survey was specifically tailored to help identify opportunities for the provision of enhanced healthcare and customer service, while isolating pathways for the pharmacy to potentially increase its revenues related to diabetes care and corresponding lifestyle change management. Both the screening and survey were preceded by participating individuals signing a consent form.

The Scout DS® Diabetes Screening Kiosk pilot concluded March 11, 2015. Over 560 individuals were provided with complimentary diabetes screening over a period of 23 days at pharmacies in Oshawa and Whitby, with 203 individuals (36%) identified by the Scout DS® as being at risk of pre diabetes, and 55 (10%) identified as being at risk of type 2 diabetes. All customers who were identified as being at risk were recommended to follow up with their physician for confirmatory blood testing. Additionally, the surveying was done while customers were being screened identified patients with high blood pressure and high cholesterol, those in need of medication reviews, customers who were filling prescriptions at different stores or had never had prescription filled at the screening pharmacy, smokers, those interest in weight loss, dietary and fitness counselling and new store

customers who had come in specifically for a Scout DS® diabetes screen. Much of this data may be actionable by the pharmacy to increase in store revenues, and in some cases products and services that can be offered by the pharmacy (medication reviews and smoking cessation) are covered by the Province of Ontario (other provinces as well).

On March 10, 2015, the Company announced that it has appointed leading occupational health physician and workplace wellness expert Dr. Alain Sotto, Hon. B.Sc., M.D., CCFP (E.M.), F.C.B.O.M to the Scout DS® Medical Advisory Board. Dr. Sotto is the Toronto Transit Commission's Occupational Medical Consultant, Investigative Coroner for York Region, and Director of the Medcan Wellness Clinic, Canada's largest executive healthcare clinic with more than 70 physicians and specialists. He is the former Chief Physician at Ontario Power Generation Wellness Division, where he was the lead on the utility's corporate health and wellness strategy. He was also the Medical Director at Boeing Toronto for 17 years and the Medical Director for many other large employers in Toronto including Pratt and Whitney, Bombardier and McDonnell Douglas Canada. Additionally, Dr. Sotto has served as Regional Medical Officer for the Great Lakes region at CN Railways and has been an occupational medical consultant to Stelco and several other companies.

Dr. Sotto is a certified specialist in Emergency and Family Medicine and is on staff in Family Medicine at William Osler Hospital in Brampton, where he has worked in the Emergency Department for 19 years. He has also had an active part time Family Practice in Brampton for the last 26 years. Dr. Sotto serves on numerous medical advisory boards including the Ministry of Health and Long Term Care – Scientific Advisory Council (Ontario), Canadian Board of Occupational Medicine Executive, Benefits Canada, and the Morneau Shepell Mental Health Advisory Board. He also serves on the Sanofi Canada Healthcare Survey Advisory Board (2013, 2014, 2015), which publishes an annual report of the same name that since 1998 has been nationally tracking feedback from Canadians with employer sponsored health benefit plans to help facilitate industry being more aware and responsive to healthcare issues and needs in the workplace. He is a highly regarded guest speaker, writer, and medical guest commentator and in November 2012, he was the Keynote Speaker at the Annual International Foundation of Employee Benefit Plans (IFEBP) speaking to 1,330 attendees on aging and wellness. The IFEBP is the largest association serving the employee benefits and compensation industry with 33,000 members.

On April 28, 2015 the Company announced that it had recently received important feedback from the United States Food and Drug Administration (FDA) as part of the de novo pre-submission process. Based on this communication from the FDA, the Company plans to continue advancing on the de novo clearance pathway for the Scout® device. The de novo process is generally considered to be appropriate for "novel" medical devices for which there are no legally marketed predicate devices, and whose risk profiles do not warrant the regulatory pathway known as a premarket approval (PMA), which is required of products considered to have the highest risk to public safety (Class III). The Company is of the view that there is no predicate for the Scout® device, and based on the feedback received from FDA the de novo process could provide the appropriate regulatory pathway for marketing clearance in the U.S.

On May 22, 2015 the Company announced that it has completed all required preparations for the submission of its Scout DS® device for product testing in compliance with Chinese Food and Drug Administration (CFDA) requirements. Product testing, which must precede clinical trials in China, relates to a series of safety and operational tests that the CFDA testing center and its engineers decide are suitable for a medical device including electrical testing, biocompatibility testing, mechanical testing, stability testing, integrity testing, and other related tests to verify the device's specified operating parameters.

Product testing is the first major step towards securing regulatory approval for the Scout DS® in China, and the Company has been diligently working with its lead Chinese regulatory consultant, Emergo Global, towards compiling and translating all of the technical documentation required for submission to enable the product testing process to begin.

Preparation for CFDA product testing was significant and included the translation of Scout DS® device engineering drawings, circuitry diagrams, operating manuals, ISO documentation, as well as all of the internationally-recognized electrical, safety, mechanical and related testing and performance documentation that the Company already had on file for the Scout DS® related to its prior clearances in Canada and the European Union.

The Company has also been working with Emergo Global to evolve a comprehensive regulatory strategy in China overall, that additionally includes the development of a study protocol for the Scout DS® clinical trials that will be conducted in China following the successful conclusion of the product testing process.

On June 4, 2015 the Company announced that the 23rd World Congress of Dermatology has accepted a scientific poster from a collaboration between Luminor and Amway Corporation's Open Innovation Team ("Amway"). The World Congress of Dermatology is the world's oldest and continuous international dermatology meeting, and will be held in Vancouver, BC from June 8-13, 2015.The poster, entitled "The Association of Skin Glycation with Facial Skin Aging", concludes that advanced glycation end-products ("AGEs") – as measured by the Scout DS® - are correlated with the visible signs of facial skin aging, and that vitamin supplementation was associated with lower skin AGEs. Luminor has been reviewing these important pilot findings with Amway to determine the potential next steps in assessing the viability of Scout DS® intellectual property being utilized in a

device specifically for the health and beauty segment.

The collaborative study was conducted in the United States on 555 women between the ages of 16 and 82, and was comprised of a mixed race cohort. Subjects were assessed through a crosssectional survey using objective methods and a questionnaire that took into account age, ethnicity, BMI, smoking, sun protection habits, years working outdoors, vitamin supplementation, skin care habits, tanning, history of type 1 or 2 diabetes, kidney, heart and skin disease. Skin AGE's were measured utilizing the Scout DS® device, and facial wrinkling and skin lightness were measured using standardized facial photography and analysis.

On July 6, 2015 the Company announced that four abstracts featuring Scout® as a tool for the measurement of skin intrinsic fluorescence (SIF), a marker for pre-diabetes and diabetes, were presented at the recent 75th Scientific Sessions of the American Diabetes Association (ADA) from June 5-9 in Boston, MA. The ADA Scientific Sessions bring together scientists and health care professionals from around the world who are involved in diabetes research and care.

All four of the abstracts, presented as either posters or oral presentations, were as a result of investigator initiated studies where the Scout® was selected by leading academic and scientific experts as the device of choice for studies in the flourishing field of research related to skin advanced glycated end products (AGEs) and their role in diabetes.

On July 30, 2015 the Company announced the execution of a non-binding Letter of Intent (the "LOI") with New Leaf Health Ltd. ("New Leaf"), one of the largest, most experienced workplace wellness providers in the United Kingdom (UK), for the exclusive distribution of the Scout DS® diabetes screen into Britain's workplace wellness segment. New Leaf has a large and growing roster of clients including multi-nationals such as British Airways, Airbus and Volvo and it delivers evidence-based and cost-effective wellness programming throughout the entirety of the UK.

On August 13, 2015 the Company announced that it has made a supplemental filing with the United States Food and Drug Administration ("FDA") regarding its recent de novo pre-submission for its Scout® device. The additional submission of documentation is part of the Company's ongoing dialogue with the FDA regarding the evaluation of the de novo process as a potential pathway for the marketing clearance of the Scout® device as an aid in the identification of pre-diabetes.

On February 24, 2016 the Company announced that as a result of capital markets that continue to be challenging, the Company has developed a new business plan that will dramatically reduce its need for capital. (See Overview above).

On June 22, 2016 the Company announced a corporate update which includes the plan for additional revenue streams in the diabetes sector, amendment to its secured loans and the addition of Chief Executive Officer, Christian Sauvageau to the Board of Directors. (See Overview above).

Corporate Developments

On **December 11, 2014**, the Company announced that it has closed a private placement offering with aggregate gross proceeds to the Company of $200,000 from the sale of 80,000 units at a price of $2.50 per Unit. Each Unit is comprised of one common share of the Company and one Share purchase warrant.

On **April 22, 2015** the Company closed a non-brokered private placement offering (the "Offering") of 160,000 units ("Units") at a price of $2.50 per Unit for gross proceeds of up to $400,000. Each Unit is comprised of one common share of the Company (a "Share") and one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $3.75 per Share for a period of 24 months from the date the Warrant is issued.

On **July 14, 2015** the Company closed a non-brokered private placement offering (the "Offering") of 175,000 units ("Units") at a price of $2.00 per Unit for gross proceeds of up to $350,000. Each Unit is comprised of one common share of the Company (a "Share") and one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $2.50 per Share for a period of 24 months from the date the Warrant is issued.

On **October 26, 2015** the Company announced a private placement offering (the "October 2015 Offering") of up to $250,000 and closed its first tranche of 108,000 units ("Units") at a price of $1.25 per Unit for gross proceeds of $135,000. Each Unit is comprised of one common share of the Company (a "Share") and one half of one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $2.00 per Share for a period of 12 months from the date the Warrant is issued. A certain person assisted the Company by introducing a subscriber for the October 2015 Offering and was paid a finder's fee of 10% of the total subscription proceeds received from the subscriber introduced to the Company by that person.

On **November 23, 2015** the Company announced that it has entered into amending agreements to extend the maturity dates of its CDN$1,000,000 non-convertible secured loan and its CDN$611,334 non-convertible secured loan. The loans were extended by 90 days and will now mature on March 31, 2016. The Loans will continue to bear interest at 12% per annum.

On **December 8, 2015**, the Company closed unsecured loans with two private lenders totaling $83,778. The promissory note evidencing the first loan of $56,000 was issued at a discount for a purchase price of $50,400. The promissory note evidencing the second loan of $27,778 was issued at a discount for a purchase price of $25,000. Both of the loans mature on March 31, 2016, are unsecured and bear interest at a rate of 20% per annum payable at the maturity of the loans

On **February 17, 2016**, the Company closed a secured loan for $100,000, with a company with an officer who is also an officer of the Company. The loan matures the earlier of i) one year from the closing date, ii) sixty days after the lender demands repayment, which the lender has the right to demand after May 16, 2016; or iii) upon the completion of any equity or debt financings or a combination of equity or debt financings that total $100,000. The loan bears interest at a rate of 12% per annum. The loan is secured by a first ranking charge on all assets of the Company.

On **April 13, 2016**, the Company changed its name to Luminor Medical Technologies Inc. and began trading on the TSX Venture Exchange under the new symbol “LMT” at the open of market on April 14, 2016. The Company also completed a twenty-five to one (25 – 1) consolidation of its common shares resulting in the Company having approximately 2,020,653 common shares issued and outstanding.

On **April 21, 2016**, the Company announced the appointment of Christian Sauvageau as the Company's new President & CEO. Prior to joining Luminor, Mr. Sauvageau founded his consulting firm, CSCG Inc., where he supported a select number of start-up and medical technology companies. Prior to starting CSCG Inc. in 2014, Mr. Sauvageau was Vice President of the Customer Innovation Business Unit at Merck Canada Ltd where he introduced innovative products and practices and contributed to the EUCAN Beyond the Pill strategy. During his 29 years of experience, Mr. Sauvageau also held senior sales, marketing, and business development positions at Merck & Co. He has national and international experience and has been instrumental in launching major brands in multiple therapeutic areas in addition to driving successful transformation activities. Mr Sauvageau joined the Board of Directors in June 2016.

On **June 22, 2016**, the Company announced that it had entered into a license agreement with its newly formed wholly owned subsidiary, Scout Assessment Corp. ("Scout Corp"), whereby all revenue related to the Company's Scout DS® diabetes screening device and the PreVu® assets including current contracts and future contracts will flow through Scout Corp. The Company has entered into amending agreements to transfer its CDN$1,611,334 in secured loans (the "Loans") from Luminor Medical to Scout Corp. The Loans are secured through a general security agreement against Scout Corp. and the security interest against Luminor Medical has been discharged. The maturity date has been extended from a current obligation to $300,000 due on December 31, 2018, $400,000 due on December 31, 2019, $600,000 due on December 31, 2020 and $311,334 plus all accrued interest and any other amounts due on December 31, 2021. The principal and interest payments will be accelerated based on payments of ten percent (10%) of all gross sales on Scout Corp Assets.

On **October 24, 2016**, the Company completed a financing and issued 2,045,000 units (each a “Unit”) at a price of $0.15 per Unit for gross proceeds of $306,750. Each Unit consists of one common share and one half of one common share purchase warrant (a “Warrant”) with each Warrant exercisable at a price of $0.25 until October 21, 2018. The Company also issued $175,000 in convertible loans, convertible into common shares at a price of $0.20 per common share and subject to an interest rate of 8% per annum. The convertible loans include an unsecured convertible loan of $50,000 due July 31, 2017, an unsecured convertible loan of $25,000, issued to a director of the Company, due on December 31, 2016 and a secured convertible loan of $100,000, issued to Bradstone Financial Corp. (“Bradstone Financial”), a company which has an director/officer in common with an officer of the Company, due on December 31, 2017 (the “Bradstone Loan”). The conversion rights on the Bradstone Loan may only be exercised if Bradstone Financial, and/or its directors, officers or affiliates own less than 20% of the Company on a diluted basis. The Company also announces shares for debt transactions with certain vendors at price of $0.20 per share. The Company issued 57,500 common shares to extinguish debt totaling $11,750. 20,000 of the common shares or $4,000 of the debt, relating to interest on a loan, was issued to a director of the Company.

Overview

During 2015 and to date in 2016, the strategic direction of the Company was centered on the acquisition, development and commercialization of diagnostic and risk assessment technologies for unmet clinical needs. In order to advance these research and development programs, Luminor continued incurring operating losses. Management has implemented certain operating costs control measures in an effort to conserve cash and manage the Company’s burn rate.

The Company’s unaudited financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. There are material uncertainties that cast significant doubt upon the Company's ability to continue as a going concern as the Company has experienced operating losses and cash outflows from operations since incorporation, has accumulated a deficit of $23,634,384 as at November 30, 2016 (November 30, 2015 - $22,525,742), a working capital deficiency of $1,156,318 as at November 30, 2016 (November 30, 2015 - $2,997,582).

Management has forecast that expected expenditure levels and contracted commitments will exceed the Company's net cash inflows and working capital during the 2016 unless further financing is obtained. In short, additional sources of funding are required to carry on operations.

Summary of Annual Financial Information

DESCRIPTION	30 Nov 2016	30 Nov 2015	30 Nov 2014
	AMOUNT $	AMOUNT $	AMOUNT $
Revenues	-	9,146	12,459
Expenses	1,108,642	2,843,523	3,352,439
Net (loss) for the year	(1,108,642)	(3,286,190)	(1,913,737)
Basic & diluted loss per share	(0.50)	(1.90)	(3.02)
Cash flow from operating activities	(350,613)	(1,745,933)	(1,491,486)
Cash	133,134	1,997	1,161,744
Total assets	443,619	371,111	2,609,252
Total long-term financial liabilities	2,587,932	-	1,653,427
Dividends	-	-	-

Revenues for the year ended November 30, 2015 were as a result of the US$150,000 up-front payment the Company received under the contract and the recognition of revenues from this agreement based on the performance of related activities under the contract. This payment, initially recorded as deferred revenue, represents an up-front payment where further services are to be provided by the Company and will be recognized over the period of performance of the related activities. Subsequent to November 30, 2016, the Company received a release from the contract and. The up-front payment which was refundable is to be repaid during fiscal 2017.

Selling, general and administration expenses include those costs not directly related to research and development activities. This includes expenses associated with management services, and professional fees such as legal, audit and investor and public relations activities.

The decrease in selling, general and administrative costs for the year ended November 30, 2016 as compared to the year ended November 30, 2015 can be attributed to the decrease in Scout DS® and PreVu® technology commercialization costs. PreVu® cost reductions experienced throughout fiscal 2015 culminated in the decision to re-evaluate the technology.

The Company expects a moderate level of Scout DS® technology costs, minimal PreVu® technology costs and a lower level of compensation and other administration costs for fiscal 2017 as a result of the implementation of further cost reductions that occurred in fiscal 2016.

During 2016, the Company wrote-down its intangible assets by $Nil (2015 - $893,367) due to market conditions in 2015 and the uncertainty to raise funds to complete the Company's contract in China. However, if the Company is able to be successful on its new strategic direction, there is a possibility that the impairment charge on the Scout DS® could be reversed, in whole or part. In 2014, the write-down related to an impairment of the Company's PreVu® technology.

Finance expense for the year ended November 30, 2016 decreased to $343,867 (2015 - $428,453) due to the restructure of the Company's long and short term debt. The Company anticipates similar levels of finance expense for fiscal 2016 on its outstanding secured and unsecured debt.

The Company had a net loss of $1,108,642 (2015 - $3,286,190) and loss per average share outstanding of $0.50 (2015 - $1.90).

Selected Quarterly Financial Information

The selected financial information, presented under IFRS, provided in the table below is derived from the unaudited quarterly financial statements for each of the last eight quarters (in $'s):

2016	Q4	Q3	Q2	Q1
Revenue	-	-	-	-
Loss	445,653	199,484	220,897	242,609
Loss per share	0.17	0.10	0.11	0.12

2015	Q4	Q3	Q2	Q1
Revenue	-	-	1,344	7,802
Loss	1,366,123	656,347	619,706	644,014
Loss per share	0.76	0.36	0.36	0.42

The Loss in the fourth quarter of fiscal 2015 includes impairment of the Company's intangible assets of $893,367.

Liquidity and Capital Resources

Since inception, the Company has financed its operations from public and private sales of equity, issuance of debt, the exercise of warrants and stock options, interest income on funds available for investment and, government grants. As at November 30, 2016, the Company had unrestricted cash totaling $133,134 as compared with $1,997 at November 30, 2015.

The Company had a working capital deficiency of $1,156,318 as at November 30, 2016 (November 30, 2015 - $2,997,583).

Subsequent to year end, on December 28, 2016, the Company closed a non-brokered private placement through the issuance of 5,050,609 units ("Units") at a price of $0.225 per Unit for gross proceeds of $1,136,387.53. Each Unit is comprised of one common share of the Company and one-half Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share for a period of twenty-four (24) months from the closing of the Offering at a price of $0.30 per Common Share.

The Company periodically enters into long term contractual agreements for the leases of office facilities and equipment, management services, and certain purchased services. The following table presents commitments arising from agreements currently in force over the next five years.

	Payments due by Period			
	Within 1 year	2 - 3 years	4 - 5 years	Total
Accounts payable and accrued liabilities	$ 1,260,495	$ -	$ -	$ 1,260,495
Long-term debt including interest	-	700,000	1,797,773	2,497,773
Convertible debt including interest	73,663	90,160	-	163,823
	$ 1,334,158	$ 790,160	$ 1,797,773	$ 3,922,091

The Company is obligated to pay royalties to PreMD based on any future commercial sales of PreVu® Skin Cholesterol test equal to 10 percent of gross revenue associated with PreVu®. The Company retains the right to buy out the royalty at anytime for a one time payment of $1,000,000. There were no royalties paid or accrued during the year ended November 30, 2016 or 2015.

The Company is obligated to pay royalties to Canada Israel Industrial Research and Development Foundation ("CIIRDF") based on any future product revenues, if any, from the exploitation of the preeclampsia technology contemplated in the project funding agreement equal to 2.5 percent up to a maximum of the amounts funded under the agreement. To November 30, 2016, no royalties are due and/or payable.

The Company is obligated to pay a royalty to MSH, subject to minimum annual royalties, of a stipulated percentage of the net sales of licensed products related to the worldwide rights to commercialize a portfolio of biomarkers for use in developing diagnostic assays for the early detection of preeclampsia, if any, along with other milestone payments. If the Company sub licenses any rights under the MSH Agreement to a third party, the Company shall pay MSH a stipulated percentage of sub license fee and sub license royalty fee. No royalties were paid to MSH during the year ended November 30, 2016 or 2015.

Off Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

On February 17, 2016, the Company closed a secured loan for $100,000, with a company with an officer who is also an officer of the Company. The loan matures the earlier of i) one year from the closing date, ii) sixty days after the lender demands repayment, which the lender has the right to demand after May 16, 2016; or iii) upon the completion of any equity or debt financings or a combination of equity or debt financings that total $100,000. The loan bears interest at a rate of 12% per annum. The loan is secured by a first ranking charge on all assets of the Company. The Company's secured lenders executed a subordination agreement in favour of the lender. The loan was repaid during fiscal 2016.

On October 25, 2016, the Company issued an unsecured convertible loan of $25,000, issued to a director of the Company, due on December 31, 2016 and a secured convertible loan of $100,000, issued to Bradstone Financial Corp. ("Bradstone Financial"), a company which has an director/officer in common with an officer of the Company, due on December 31, 2017 (the "Bradstone Loan"). The conversion rights on the Bradstone Loan may only be exercised if Bradstone Financial, and/or its directors, officers or affiliates own less than 20% of the Company on a diluted basis. The convertible loans are convertible into common shares at a price of $0.20 per share.

On October 25, 2016, the Company completed a shares for debt transaction where the Company issued 20,000 shares at a price of $0.20 per share for a value of $4,000, relating to interest on a loan, which was issued to a director of the Company.

Fourth Quarter Events

Subsequent to year end, on December 28, 2016, the Company closed a non-brokered private placement through the issuance of 5,050,609 units ("Units") at a price of $0.225 per Unit for gross proceeds of $1,136,387.53. Each Unit is comprised of one common share of the Company and one-half Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share for a period of twenty-four (24) months from the closing of the Offering at a price of $0.30 per Common Share.

Changes in Accounting Policies

New standards and interpretations not yet adopted

Certain new standards, interpretations and amendments to existing standards issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are not yet effective up to the date of issuance of the Company's financial statements are listed below. The Company is assessing the impact of these pronouncements on its results and financial position. The Company intends to adopt those standards when they become effective.

IFRS 9 *Financial Instruments: Classification and Measurement*

IFRS 9 replaces the guidance in IAS 39 *Financial Instruments: Recognition and Measurement,* on the classification and measurement of financial assets. The Standard eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive income ("OCI"), with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions.

IFRS 15, *Revenue from Contracts with Customers*

IFRS 15, *Revenue from Contracts with Customers*, issued by the IASB in May 2014, is applicable to all revenue contracts and provides a model for the recognition and measurement of gains or losses from sales of some non-financial assets. The core principle is that revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively [for example, service revenue and contract modifications] and improve guidance for multiple-element arrangements. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively, with earlier adoption permitted. Entities will transition following either a full or modified retrospective approach. The Company is currently evaluating the impact of the above standard on its financial statements.

Financial and other instruments

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the consolidated financial statements:

	Carrying Amount November 30, 2015	Fair Value November 30, 2015	Carrying Amount November 30, 2015	Fair Value November 30, 2015
Financial Assets				
Loans and receivable				
Cash	$ 133,134	$ 133,134	$ 1,997	$ 1,997
Accounts receivable	40,435	40,435	9,010	9,010
Financial Liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities	$ 1,260,495	$ 1,260,495	$ 1,017,766	$ 1,017,766
Current portion of secured debt	-	-	1,597,960	1,597,960
Current portion of convertible debentures	71,658	71,658	1,597,960	1,597,960
Current portion of accrued interest	2,005	2,005	467,253	467,253
Secured debt	1,661,334	1,661,334	-	-
Convertible debenture	90,160	90,160	-	-
Accrued interest	886,438	886,438	-	-

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. The carrying values of current monetary assets and liabilities approximate their fair values due to their relatively short periods to maturity. The fair value of the Company's secured debt is estimated to approximate its carrying value based on the terms of the secured debt. The royalty obligation and other current and long-term liabilities are carried at fair value (level 3).

IFRS 13 *Fair Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 - Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The fair value hierarchy of financial instruments measured at fair value on the Statements of Financial Position as at November 30, 2016 is as follows:

	Level 1	Level 2	Level 3
Financial Liabilities			
Accounts payable and accrued liabilities	-	-	1,260,495
Current portion of convertible debentures	-	71,658	-
Current portion of accrued interest	-	2,005	-
Secured debt	-	1,661,334	-
Convertible debentures	-	90,160	-
Accrued interest	-	886,438	-

The fair value hierarchy of financial instruments measured at fair value on the Statements of Financial Position as at November 30, 2015 is as follows:

	Level 1	Level 2	Level 3
Financial Liabilities			
Accounts payable and accrued liabilities	-	-	1,017,766
Current portion of secured debt	-	1,597,960	-
Accrued interest on secured debt	-	467,253	-

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the years ended November 30, 2016 and 2015, there were no transfers between Level 1 and Level 2 fair value measurements.

Risks arising from financial instruments and risk management:

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. The Company identifies, evaluates and, where appropriate, mitigates financial risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The audit committee of the board is responsible to review the Company's risk management policies.

(i) Market Risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings or financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign exchange risk

The Company operates primarily within Canada although a portion of its expenses are incurred in other countries primarily the United States dollars ("US dollar"). Foreign exchange risk arises because the cost of transactions denominated in foreign currencies may vary due to changes in exchange rates. The Company has not entered into foreign exchange derivative contracts. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar would not have a significant effect on the Company's results of operations, financial position or cash flows.

As at November 30, 2016, the Company is exposed to currency risk through its cash and accounts payable denominated in US dollars. Based on the net exposures as at November 30, 2016, and assuming that all other variables remain constant, a 5% appreciation or deterioration of the Canadian dollar against the US dollar would not be significant.

Interest rate risk

The Company is subject to interest rate risk on its cash and cash equivalents and long-term debt. The Company believes that interest rate risk is low as the Company does not hold any term deposits and interest earned on cash equivalents is variable. The long-term debt is at a fixed interest rate. A change of 1% in interest rates over the year ended November 30, 2016 would not have had a significant effect on loss for the period.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's accounts receivable. The carrying amount of financial assets represents the maximum credit exposure. The Company believes there is insignificant credit risk associated with its accounts receivable based on the nature of the counterparties.

Financial instruments that potentially expose the Company to significant concentrations of credit risk consist principally of cash. The Company has investment policies to mitigate against the deterioration of principal and to enhance the Company's ability to meet its liquidity needs.

(iii) Liquidity and Funding Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations. The Company manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional financing based on those forecasts.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. The Company manages its funding risk by forecasting its cash needs on a

regular basis and continuously monitoring the stock price and other market conditions.

(c) Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern in order to pursue the development of its products and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable level; and
- To provide an adequate return to shareholders commensurate with the level of risk associated with a development stage biotechnology company.

The capital structure of the Company consists of cash, long-term debt and equity comprising, issued capital, contributed surplus, warrants, and stock options.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, granting of stock options, the issuance of debt or by undertaking other activities as deemed appropriate under the specific circumstances. The Company's overall strategy with respect to capital risk management remains unchanged from the year ended November 30, 2015.

The Company is not subject to externally imposed capital requirements. In order to maximize ongoing research and development of its products, the Company does not pay out dividends.

Share Capital

Subsequent to year end, on December 28, 2016, the Company closed a non-brokered private placement through the issuance of 5,050,609 units ("Units") at a price of $0.225 per Unit for gross proceeds of $1,136,387.53. Each Unit is comprised of one common share of the Company and one-half Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share for a period of twenty-four (24) months from the closing of the Offering at a price of $0.30 per Common Share.

	March 30, 2017	November 30, 2016	November 30, 2015
Common shares issued and outstanding	9,365,429	4,023,153	2,020,656
Shares to be issued	-	100,000	-
Options outstanding	768,800	133,820	137,700
Warrants outstanding	3,665,745	1,230,440	1,331,240

Risks and Uncertainty

The Company operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control, which could have a material adverse effect upon the Company, its business and future prospects. Investors should carefully consider the risks and uncertainties described below, as well as other information contained in this MD&A. The risks and uncertainties described below are not exhaustive. There may be risks and uncertainties not presently known to the Company or that the Company believes to be immaterial which could adversely affect the Company and its business in the future.

Risks Related to the Company's Financial Condition

- The Company has mainly relied on equity and debt financing and grant funding to support operations and will continue to need significant amounts of additional capital. The Company intends to raise additional financing, as required, through research, partnering and licensing arrangements, the exercise of warrants and options, and through equity and/or debt financing. However, there can be no assurance that these financing efforts will be successful or that the Company will continue to be able to meet ongoing cash requirements. It is possible that financing will not be available or, if available, may not be on favourable terms. The Company may fail to obtain additional financing and be unable to fund operations and commercialize its product candidates. The availability of financing will be affected by the results of scientific and clinical research, the Company's ability to attain regulatory approvals, the market acceptance of the Company's products, the state of the capital markets generally (with particular reference to pharmaceutical, biotechnology and medical companies), the status of strategic alliance

agreements, and other relevant commercial considerations. Any future equity financing could result in significant dilution to existing shareholders.

- The Company earned nil revenue through 2016 on its commercial market development of the Scout DS® technologies but, in light of the length of time and expense associated with bringing new products through commercialization, obtaining regulatory approval and bringing products to market, operating losses are expected to continue unless and until the Company is able to generate sufficient revenues from the commercial sale or lease of its diagnostic products.

- The Company must meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt and failure to do so could cause the lender to demand on its security on the Company's long term debt. There can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

Risks Related to the Company's Business and Operations

- The Company is in various stages of development of diagnostic and risk assessment products and, as a result, is unable to predict whether it will be able to profitably commercialize its products. There can be no assurance that the Company will be able to commercialize its products.

- Failure to protect intellectual property, or infringement on the intellectual property rights of others, may impede the Company's ability to operate freely. There can be no assurance that the Company's intellectual property rights will not be challenged by third parties, that the Company will receive patents it seeks, or that the Company will receive any necessary licenses. The Company could incur substantial costs in enforcing its intellectual property rights or defending its intellectual property rights against claims brought by others. Luminor views patents and other means of intellectual property protection as essential to the Company's core business by protecting the Company's proprietary technology from infringement by competitors. To that end, patents will be reviewed and continued to be sought in relation to those components or concepts of each of its pre clinical and clinical diagnostic products by management of the Company to ensure the highest level of protection possible given the Company's financial position is obtained. The Company requires all employees, consultants, and parties to collaborative research agreements to execute confidentiality agreements upon the commencement of employment, consulting relationships or a collaboration with the Company. These agreements require that all confidential information developed or made known during the course of the engagement with Luminor is to be kept confidential. The Company also maintains agreements with scientific staff and all parties contracted in a scientific capacity, providing that all inventions resulting from work performed for Luminor, using Luminor' property, or relating to Luminor' business and conceived or completed during the period covered by the agreement are the exclusive property of the Company. Despite these practices, there can be no assurance that the Company will be able to successfully protect its intellectual property rights.

- The Company's business is subject to significant government regulation and failure to achieve and maintain regulatory approval of diagnostic products would negatively affect its business. The process for obtaining such approval, including clinical trials, varies by country and type of product, and the process can be time consuming and costly.

- The Company is dependent on strategic partners, including clinical investigators and contract research organizations, as well as its lenders, as part of its diagnostic product development strategy, and it would be negatively affected if it is not able to initiate or maintain these relationships. Furthermore, a failure of any of these strategic partners to perform their obligations or to continue in the partnership could delay or halt the development strategy. There can be no assurance that these strategic partners will not pursue other technologies or develop alternative products competing with those of the Company. As well, there can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

- The Company may be dependent on others for the manufacture, development and sale of its products. If the Company is unable to establish or manage collaborations in the future, or if the Company encounters difficulties with these collaborations, there could be a delay in the manufacture, development and sale of products.

- Even if product candidates receive all of the required regulatory approvals, there is no guarantee of market acceptance or commercialization of the resulting product candidates, which will be determined by the Company's sales, marketing and distribution capabilities and the positioning and competitiveness of its diagnostic products compared with any alternatives.

- The Company's ability to successfully market certain diagnostic products may depend in part on the extent to which reimbursement for the cost of such products will be available from government health administration authorities, private health insurers and other organizations. Significant uncertainty exists as to whether newly approved

healthcare products will qualify for reimbursement, or the timing by which such reimbursement can be secured. Furthermore, challenges to the price of medical products and services are becoming more frequent. There can be no assurance that adequate third party coverage will be available to establish price levels, which would allow the Company to realize an acceptable return on its investment in product development. Although non reimbursed, user pay models may be available to the Company, uncertainty exists to the degree to which lack of available reimbursement by government health administration authorities, private health insurers and other organizations could limit market adoption of the Company's products. Reimbursement issues and decisions vary country by country as to procedure and time for review and/or reimbursement approval.

- The Company's industry is characterized by intense competition and rapid change and a failure by the Company to react to such competition and change could have a material adverse effect on its business. Competitors may develop products that are more effective and less costly than those developed by the Company. There can be no assurance that developments by others will not cause the Company's products to become non-competitive.

- The Company may conduct development internationally and may be subject to laws and regulations of several countries which may affect the Company's ability to access regulatory agencies and may affect the enforceability and value of the Company's licenses and intellectual property.

- The testing and commercial use of diagnostic products involves exposure to product liability claims. Although the Company maintains liability insurance for certain claims, there is no assurance that such coverage will provide protection against all risks, or that such insurance will continue to be available on terms which would be acceptable to the Company. If a product liability claim was brought against the Company, it could have a material adverse effect on the Company and its financial condition.

- The Company is dependent on certain members of its management and scientific staff. If the Company fails to retain this staff, or to hire qualified key personnel, the implementation of the Company's business plan could slow and the Company may be unable to successfully develop and commercialize products.

Risks Relating to the Company's Common Shares

- The Company has not paid any cash dividends on its common shares and, for the foreseeable future, the Company does not intend to pay any cash dividends on its common shares and therefore its shareholders may not be able to receive a return on their shares unless they sell them. The policy of the Board of Directors of the Company is to retain all available funds in operations. The Board of Directors may reassess this policy from time to time. Any decision to pay dividends on the common shares of Luminor will be made by the Board of Directors based on the assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.

- The market price and trading volume of the Company's common shares have been volatile, and may continue to be volatile in the future. Variations in earnings estimates by securities analysts and the market prices of the securities of competitors may also lead to fluctuations in the trading price of the common shares. In addition, the financial markets may experience significant price and volume fluctuations that affect the market price of the Company's common shares that are not related to the Company's operating performance. Broad market fluctuation and economic conditions generally, and in the medical device sector specifically, may adversely affect the market price of the Company's common shares.

- The significant costs that the Company will incur as a result of being a public company in Canada could adversely affect its business.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements in conformity with International Financial Reporting Standards (IFRS) requires the Company to select from possible alternative accounting principles and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date, and revenue and reported costs and expenditures during the reporting period. Management believes that the estimates and assumptions upon which the Company relies are reasonable based upon information available at the time these estimates and assumptions are made. Estimates and assumptions may be revised as new information is acquired, and are subject to change.

In addition to the going concern assumption previously described, management believes that its most critical accounting policies and estimates relate to the following areas, with reference to notes contained in the consolidated financial statements for the year ended November 30, 2015:

Financial instruments

(i) Non-derivative financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other

financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: loans and receivables. The Company has not classified any assets or liabilities as held-to-maturity or available-for-sale.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost. Loans and receivables are comprised of cash and accounts receivable.

(ii) Non-derivative financial liabilities

The Company has the following non-derivative financial liabilities which are classified as other financial liabilities: accounts payable and accrued liabilities, secured debt and accrued interest on secured debt.

The Company had the following non-derivative financial liabilities, representing contingent consideration (note 8), which were classified as held for trading: other current obligation.

All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method. Costs incurred to obtain financing are deferred and amortized over the term of the associated debt using the effective interest method. The related amortization is a non-cash charge to finance expense.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

(iii) Share capital

Common voting shares are classified as equity. Incremental costs directly attributable to the issue of common voting shares are recognized as a deduction from equity, net of any tax effects.

(iv) Warrants

Warrants are classified as equity. Incremental costs directly attributable to the exercise of warrants and related issue of common voting shares are recognized as a deduction from equity, net of any tax effects.

Revenue recognition

Revenue from the sale of goods is measured by reference to the fair value of consideration received or receivable for goods supplied. Revenue from product sales is recognized when all the following conditions have been satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measure reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company, and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company may enter into sales agreements with customers that have multiple element arrangements. When these multiple elements have stand-alone value to the customer, the components are accounted for separately, based on the relative selling prices, using the appropriate revenue recognition criteria as described above.

Lease revenue from leasing Scout DS® devices to customers under operating leases is recognized as earned over the term of the lease on a straight-line basis.

Royalty and license revenues will be recognized in revenue once an option to license a technology is exercised and as the contracted services are performed in accordance with the terms of the specific agreement.

Up-front payments and option fees received for the use of technology where further services are to be provided are recognized over the period of performance of the related activities on the statement of net loss and comprehensive loss. Amounts received in advance of recognition are included in deferred revenue.

Intangible assets

(i) Research and development

Expenditures on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. No development costs have been capitalized to date.

(ii) Acquired intellectual property - PreVu® and Scout DS®

Costs incurred for acquired intellectual property - PreVu® and Scout DS® were being amortized over the estimated period that they were available for use in the manner intended by management, commencing with the commercial launch of the products associated with the acquired intellectual property. The PreVu® had an estimated period of five years.

(iii) Patents and trademarks

Costs incurred for patents, patents pending and trademarks are capitalized and amortized from the date of issuance on a straight-line basis over their respective legal lives or economic life, if shorter. Trademarks have an indefinite life. Costs incurred in successfully obtaining a patent or trademark are measured at cost less accumulated amortization and accumulated impairment losses. The cost of servicing the Company's patents and trademarks is expensed as incurred.

(iv) Technology license

The Company's technology license was recorded at cost and amortized over its estimated useful life.

(v) Other intangible assets

The Company's other intangible assets are recorded at cost and amortized over their estimated useful life.

(vi) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred.

Impairment

(i) Financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss for financial assets carried at amortized cost. The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument’s original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

(ii) Non-financial assets

The carrying amounts of the long-lived non-financial assets, including intangible assets and property and equipment, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. Intangible assets that have indefinite lives and intangible assets not yet put into use are evaluated for impairment at least annually.

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell or its value in use. The fair value less costs to sell calculation is based on available data from observable market prices, less incremental costs. The value in use calculation is based on a discounted cash flow model. These calculations require the use of estimates and forecasts of future cash flows. Qualitative factors, including market size and market growth trends, strength of customer demand and degree of variability in cash flows, as well as other factors, are considered when making assumptions with regard to future cash flows and the appropriate discount rate. A change in any of the significant assumptions or estimates used to evaluate the underlying assets could result in a material change to the results of operations.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment had been recognized. Write-downs as a result of impairment are recognized in selling, general and administration expense for commercialized technologies and in research and development expense for technologies that have yet to be commercialized in the statement of net loss and comprehensive loss.

Forward Looking Statements

This Management's Discussion and Analysis ("MD&A") contains forward-looking information as defined in applicable securities laws (referred to herein as "forward-looking statements") that reflect the Company's current expectations and projections about its future results. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are based on the current assumptions, estimates, analysis and opinions of management of the Company made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors which the Company believes to be relevant and reasonable in the circumstances.

The Company uses words such as "believes," "may," "plan," "will," "estimate," "continue," "anticipates," "intends," "expects," and similar expressions to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties, both known and unknown, as well as other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Specifically, this MD&A contains forward-looking statements regarding, but not limited to, the Company's:

- intention to acquire, develop and commercialize diagnostic tests for unmet clinical needs;
- intention to partner with large diagnostic companies and reference laboratories to commercialize and market technology;
- expectation regarding collaborative research agreements, upfront payments, milestone payments, ongoing royalties on sales and other sources of revenue;
- expectation regarding new diagnostic program opportunities;
- intentions regarding the protection of intellectual property;
- business strategy; and
- intention with respect to dividends.

Inherent in forward-looking statements are known and unknown risks, uncertainties and other factors beyond the Company's ability to predict or control that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such risk factors include, among others, the Company's stage of development, lack of product revenues, additional capital requirements, the ability to protect its intellectual property, dependence upon collaborative partners, changes in government regulation or regulatory approval processes, and rapid technological change in the industry. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- the availability of financing for the Company's research and development projects, or the availability of financing on reasonable terms;
- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals for the Company's research and development projects;
- interest rates and foreign exchange rates;
- the Company's costs of research projects;
- positive results of current and future clinical trials;
- the uncertainties associated with the acceptance and demand for new products;
- research projects not being unreasonably delayed and expenses not increasing substantially;
- government regulation not imposing requirements that significantly increase expenses or that delay or impede the Company's ability to bring new products to market;
- the Company's ability to attract and retain skilled staff;

- the impact of changes in Canadian-US dollar and other foreign exchange rates on the Company's costs and results;
- market competition;
- tax benefits and tax rates; and
- the Company's ongoing relations with its employees and with its business partners.

Although management of the Company believes that these forward-looking statements are based on reasonable assumptions, a number of factors could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements contained in this MD&A and any documents incorporated by reference herein are expressly qualified by this cautionary statement. The Company cautions you that the foregoing list of important factors and assumptions is not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. You should also carefully consider the matters discussed under “Risk Factors” in this MD&A which provides for additional risks and uncertainties relating to the Company and its business. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise, other than as may be required by applicable legislation.

APPENDIX B

MD&A for the nine months ended August 31, 2017

LUMINOR MEDICAL TECHNOLOGIES INC. (Formerly Miraculins Inc.)

Management's Discussion and Analysis

The following management's discussion and analysis ("MD&A") is current to October 30, 2017 and should be read in conjunction with Luminor Medical Technologies Inc.'s (formerly Miraculins Inc.) ("Luminor" or the "Company") consolidated financial statements for the nine months ended August 31, 2017, which have been prepared under International Financial Reporting Standards ("IFRS"). Except as otherwise noted, the financial information contained in this MD&A and in the audited consolidated financial statements has been prepared in accordance with IFRS. All amounts are expressed in Canadian Dollars unless otherwise noted. Additional information regarding the Company is available on SEDAR at www.sedar.com and on the Company's website at www.luminormedical.com.

Overview

Luminor is a medical diagnostic company focused on acquiring, developing and commercializing non-invasive technologies for unmet clinical needs. The Company's Scout DS® device has been developed as a clinical tool to assist in the identification of both prediabetes and type 2 diabetes, and is the first non-invasive testing system designed to provide a highly sensitive and convenient method for measuring prediabetes/type 2 diabetes related biomarkers in the skin, the accumulation of which are accelerated by abnormal blood sugar levels and oxidative stress. Unlike current testing methods, a Scout DS® test requires no blood draw, no fasting, and no waiting for a lab result. The product has been used and validated in thousands of patients around the world.

On February 24, 2016, the Company announced that as a result of capital markets that continue to be challenging, the Company has developed a new business plan that will dramatically reduce its need for capital. The plan calls for the Company to achieve this by changing its core focus to manufacturing the Scout DS® device in the most economically feasible way possible, and to market exclusive territorial license rights to the Scout DS® to qualified third parties well positioned in their regional market segments.

On June 22, 2016, the Company announced a corporate update which includes the plan for additional revenue streams in the diabetes sector, amendment to its secured loans and the addition of Chief Executive Officer, Christian Sauvageau to the Board of Directors.

The Company, through its newly formed subsidiary, MedPath Vitality Corp. ("MedPath Vitality®"), plans to launch a new program that will help overweight consumers with chronic disease risk such as diabetes to improve their overall health and wellness. The MedPath Vitality program is an evolving Health Management program, which offers timely, respectful, caring and personalized solutions to consumers seeking a path to a healthier life. Individuals who have been identified with prediabetes or type 2 diabetes through the Scout DS® device are potential candidates for the MedPath Vitality program. Launching of the MedPath Vitality program will depend upon the completion of an equity and or debt financing.

As a part of the corporate restructure, the Company entered into a license agreement with its newly formed wholly owned subsidiary, Scout Assessment Corp. ("Scout Corp"), whereby all revenue related to the Company's Scout DS® diabetes screening device and the PreVu® assets including current contracts and future contracts will flow through Scout Corp. The Company has entered into amending agreements to transfer its CDN$1,611,334 in secured loans (the "Loans") from Luminor Medical to Scout Corp. The Loans are secured through a general security agreement against Scout Corp. and the security interest against Luminor Medical has been discharged. The maturity date has been extended from a current obligation to $300,000 due on December 31, 2018, $400,000 due on December 31, 2019, $600,000 due on December 31, 2020 and $311,334 plus all accrued interest and any other amounts due on December 31, 2021. The principal and interest payments will be accelerated based on payments of ten percent (10%) of all gross sales on Scout Corp Assets.

The Company's business plan includes validating qualified licensing partners who will be responsible to invest in developing geographically defined markets under the guidance and direction of the Company. Since the Company acquired the Scout DS®, several pilots have been conducted by the Company in the pharmacy and employee workplace screening market segments. The Company will use the data, experience and knowledge it has gained about these market segments in order to provide general direction and guidance to newly established licensing partners. The new licensees would be responsible for all market development costs for their given territory and all costs related to regulatory approval in any given market (if required) under the direction of the Company.

The Company plans that its main revenue stream will be generated from the sale or rental of the Scout DS® devices (including ongoing trailer fees per test), as well as from receipt of territorial license fees, and the ongoing sale of related Scout DS® products and services.

While under the strategic review process, as part of a broad operating cost reduction strategy, Luminor chose not to re-apply for

ISO 13485 certification. It is Luminor's intention to become re-certified after the Company's next financing as it moves forward with achieving full production capabilities of the Scout DS device. The Company will not be able to sell or distribute any Scout devices in any of the markets where it has achieved regulatory clearance until the Company becomes ISO 13485 compliant.

Overall Performance

Recent Developments

Developments indicated are at the time of the dates specified.

On December 23, 2014, the Company announced that it has executed an amendment (the "Amendment") to the asset purchase agreement dated June 28, 2013 between Luminor and VeraLight Inc. ("VeraLight") (the "APA"), wherein Luminor acquired all of the relevant assets relating to VeraLight's Scout DS® non invasive diabetes screening technology. The Amendment eliminates the majority of the Company's remaining obligations and terminates the obligation to issue equity to VeraLight under the APA.

In connection with the Amendment, the Company has made a one time payment of CDN $500,000 to VeraLight. In addition to the one time payment, the Company has issued 40,000 new common share purchase warrants (the "Warrants") to VeraLight at an exercise price of CDN $6.25 per share with a term expiring on the fifth anniversary after issuance. Of these, 18,000 of the Warrants will vest immediately and the remaining 22,000 Warrants will vest upon the earlier of (i) 12 months from the date of issuance, or (ii) a Liquidity Event (as defined in the Amendment). No common shares or warrants have previously been issued to VeraLight, and on the closing of the Amendment, VeraLight will have no right to receive common shares of the Company other than the Warrants described above.

On January 27, 2015, the Company announced that it will be commencing a pilot program with Lovell Drugs Ltd. ("Lovell") and Pear Healthcare Solutions Inc. ("Pear") that will see the placement of the first stand alone, Scout DS® diabetes screening kiosks in Lovell's retail pharmacy locations in Ontario beginning in February 2015. Lovell is the oldest and one of the largest, independent drug store chains in Ontario and has been family owned and community minded for more than 100 years, with a reputation for innovative programming and forward thinking product/service delivery.

This proof of concept pilot is being conducted to demonstrate that a stand alone Scout DS® diabetes screening kiosk set up inside a pharmacy location, has the ability to not only deliver a rapid, non invasive and superior diabetes screening clinic, but can be additionally purposed to generate a meaningful financial return on investment (ROI) for the pharmacy that would not have otherwise, or readily been achievable.

With a proven ROI model that could be easily reproduced in any pharmacy setting – independent as well as national chains – Luminor could then make the business case for pharmacies to lease Scout DS® screening kiosks on a regular basis throughout the calendar year, to both meet the diabetes screening needs of their customers and to generate new retail revenue. The Company believes that the model it is developing will have application for retail pharmacy and pharmacy/grocery operations in North America and for similar retail settings in Europe and other countries as well.

On February 18, 2015, the Company announced that it had filed pre submission documentation to the U.S. Food and Drug Administration regarding the de novo classification of its Scout® diabetes device, as a next step towards securing marketing clearance in the United States.

On March 5, 2015, the Company announced that its Scout DS® Diabetes Screening Kiosk pilot being conducted in partnership with Lovell Drugs Ltd. and Pear Healthcare Solutions Inc., has to date identified 145 individuals, or 41% of those screened in just 16 days, to be at elevated risk for pre diabetes or type 2 diabetes. All customers who were identified as being at risk by the Scout DS® were recommended to follow up with their physician for confirmatory blood testing. The Company also reports that pilot participants were pleased to complete a touch screen survey while seated for their complimentary and non invasive Scout DS® diabetes test, which resulted in the acquisition of valuable and traditionally difficult to procure consumer information. The survey was specifically tailored to help identify opportunities for the provision of enhanced healthcare and customer service, while isolating pathways for the pharmacy to potentially increase its revenues related to diabetes care and corresponding lifestyle change management. Both the screening and survey were preceded by participating individuals signing a consent form.

The Scout DS® Diabetes Screening Kiosk pilot concluded March 11, 2015. Over 560 individuals were provided with complimentary diabetes screening over a period of 23 days at pharmacies in Oshawa and Whitby, with 203 individuals (36%) identified by the Scout DS® as being at risk of pre diabetes, and 55 (10%) identified as being at risk of type 2 diabetes. All

customers who were identified as being at risk were recommended to follow up with their physician for confirmatory blood testing. Additionally, the surveying was done while customers were being screened identified patients with high blood pressure and high cholesterol, those in need of medication reviews, customers who were filling prescriptions at different stores or had never had prescription filled at the screening pharmacy, smokers, those interest in weight loss, dietary and fitness counselling and new store customers who had come in specifically for a Scout DS® diabetes screen. Much of this data may be actionable by the pharmacy to increase in store revenues, and in some cases products and services that can be offered by the pharmacy (medication reviews and smoking cessation) are covered by the Province of Ontario (other provinces as well).

On March 10, 2015, the Company announced that it has appointed leading occupational health physician and workplace wellness expert Dr. Alain Sotto, Hon. B.Sc., M.D., CCFP (E.M.), F.C.B.O.M to the Scout DS® Medical Advisory Board. Dr. Sotto is the Toronto Transit Commission's Occupational Medical Consultant, Investigative Coroner for York Region, and Director of the Medcan Wellness Clinic, Canada's largest executive healthcare clinic with more than 70 physicians and specialists. He is the former Chief Physician at Ontario Power Generation Wellness Division, where he was the lead on the utility's corporate health and wellness strategy. He was also the Medical Director at Boeing Toronto for 17 years and the Medical Director for many other large employers in Toronto including Pratt and Whitney, Bombardier and McDonnell Douglas Canada. Additionally, Dr. Sotto has served as Regional Medical Officer for the Great Lakes region at CN Railways and has been an occupational medical consultant to Stelco and several other companies.

Dr. Sotto is a certified specialist in Emergency and Family Medicine and is on staff in Family Medicine at William Osler Hospital in Brampton, where he has worked in the Emergency Department for 19 years. He has also had an active part time Family Practice in Brampton for the last 26 years. Dr. Sotto serves on numerous medical advisory boards including the Ministry of Health and Long Term Care – Scientific Advisory Council (Ontario), Canadian Board of Occupational Medicine Executive, Benefits Canada, and the Morneau Shepell Mental Health Advisory Board. He also serves on the Sanofi Canada Healthcare Survey Advisory Board (2013, 2014, 2015), which publishes an annual report of the same name that since 1998 has been nationally tracking feedback from Canadians with employer sponsored health benefit plans to help facilitate industry being more aware and responsive to healthcare issues and needs in the workplace. He is a highly regarded guest speaker, writer, and medical guest commentator and in November 2012, he was the Keynote Speaker at the Annual International Foundation of Employee Benefit Plans (IFEBP) speaking to 1,330 attendees on aging and wellness. The IFEBP is the largest association serving the employee benefits and compensation industry with 33,000 members.

On April 28, 2015 the Company announced that it had recently received important feedback from the United States Food and Drug Administration (FDA) as part of the de novo pre-submission process. Based on this communication from the FDA, the Company plans to continue advancing on the de novo clearance pathway for the Scout® device. The de novo process is generally considered to be appropriate for "novel" medical devices for which there are no legally marketed predicate devices, and whose risk profiles do not warrant the regulatory pathway known as a premarket approval (PMA), which is required of products considered to have the highest risk to public safety (Class III). The Company is of the view that there is no predicate for the Scout® device, and based on the feedback received from FDA the de novo process could provide the appropriate regulatory pathway for marketing clearance in the U.S.

On May 22, 2015 the Company announced that it has completed all required preparations for the submission of its Scout DS® device for product testing in compliance with Chinese Food and Drug Administration (CFDA) requirements. Product testing, which must precede clinical trials in China, relates to a series of safety and operational tests that the CFDA testing center and its engineers decide are suitable for a medical device including electrical testing, biocompatibility testing, mechanical testing, stability testing, integrity testing, and other related tests to verify the device's specified operating parameters.

Product testing is the first major step towards securing regulatory approval for the Scout DS® in China, and the Company has been diligently working with its lead Chinese regulatory consultant, Emergo Global, towards compiling and translating all of the technical documentation required for submission to enable the product testing process to begin.

Preparation for CFDA product testing was significant and included the translation of Scout DS® device engineering drawings, circuitry diagrams, operating manuals, ISO documentation, as well as all of the internationally-recognized electrical, safety, mechanical and related testing and performance documentation that the Company already had on file for the Scout DS® related to its prior clearances in Canada and the European Union.

The Company has also been working with Emergo Global to evolve a comprehensive regulatory strategy in China overall, that additionally includes the development of a study protocol for the Scout DS® clinical trials that will be conducted in China following the successful conclusion of the product testing process.

On June 4, 2015 the Company announced that the 23rd World Congress of Dermatology has accepted a scientific poster from a collaboration between Luminor and Amway Corporation's Open Innovation Team ("Amway"). The World Congress of Dermatology is the world's oldest and continuous international dermatology meeting, and will be held in Vancouver, BC from June 8-13, 2015.The poster, entitled "The Association of Skin Glycation with Facial Skin Aging", concludes that advanced glycation end-products ("AGEs") – as measured by the Scout DS® - are correlated with the visible signs of facial skin aging, and that vitamin supplementation was associated with lower skin AGEs. Luminor has been reviewing these important pilot findings with Amway to determine the potential next steps in assessing the viability of Scout DS® intellectual property being utilized in a device specifically for the health and beauty segment.

The collaborative study was conducted in the United States on 555 women between the ages of 16 and 82, and was comprised of a mixed race cohort. Subjects were assessed through a crosssectional survey using objective methods and a questionnaire that took into account age, ethnicity, BMI, smoking, sun protection habits, years working outdoors, vitamin supplementation, skin care habits, tanning, history of type 1 or 2 diabetes, kidney, heart and skin disease. Skin AGE's were measured utilizing the Scout DS® device, and facial wrinkling and skin lightness were measured using standardized facial photography and analysis.

On July 6, 2015 the Company announced that four abstracts featuring Scout® as a tool for the measurement of skin intrinsic fluorescence (SIF), a marker for pre-diabetes and diabetes, were presented at the recent 75th Scientific Sessions of the American Diabetes Association (ADA) from June 5-9 in Boston, MA. The ADA Scientific Sessions bring together scientists and health care professionals from around the world who are involved in diabetes research and care.

All four of the abstracts, presented as either posters or oral presentations, were as a result of investigator initiated studies where the Scout® was selected by leading academic and scientific experts as the device of choice for studies in the flourishing field of research related to skin advanced glycated end products (AGEs) and their role in diabetes.

On July 30, 2015 the Company announced the execution of a non-binding Letter of Intent (the "LOI") with New Leaf Health Ltd. ("New Leaf"), one of the largest, most experienced workplace wellness providers in the United Kingdom (UK), for the exclusive distribution of the Scout DS® diabetes screen into Britain's workplace wellness segment. New Leaf has a large and growing roster of clients including multi-nationals such as British Airways, Airbus and Volvo and it delivers evidence-based and cost-effective wellness programming throughout the entirety of the UK.

On August 13, 2015 the Company announced that it has made a supplemental filing with the United States Food and Drug Administration ("FDA") regarding its recent de novo pre-submission for its Scout® device. The additional submission of documentation is part of the Company's ongoing dialogue with the FDA regarding the evaluation of the de novo process as a potential pathway for the marketing clearance of the Scout® device as an aid in the identification of pre-diabetes.

On February 24, 2016 the Company announced that as a result of capital markets that continue to be challenging, the Company has developed a new business plan that will dramatically reduce its need for capital. (See Overview above).

On June 22, 2016 the Company announced a corporate update which includes the plan for additional revenue streams in the diabetes sector, amendment to its secured loans and the addition of Chief Executive Officer, Christian Sauvageau to the Board of Directors. (See Overview above).

On September 28, 2017, the company acquired 100% of the outstanding shares of Jamaica-Blu Ltd. ("J-BLU"). J-BLU holds the exclusive Canadian licence of all current and future cannabis commercial products developed by Rise Research Inc. ("RISE"). RISE's cannabis commercial products are based on a patent pending formula, currently filed with the U.S. Patent and Trademark Office, to create precise cannabis-based formulations that may produce specifically targeted effects for various ailments including diabetes. Currently, RISE's portfolio consists of cannabis-based formulations which support patients with low libido called Jamaica blū and Jamaica pnk. Under the terms of the acquisition, the company issued 9,500,000 common shares to the shareholders of J-BLU and paid $200,000 to RISE for intellectual property access.

Corporate Developments

On **December 11, 2014**, the Company announced that it has closed a private placement offering with aggregate gross proceeds to the Company of $200,000 from the sale of 80,000 units at a price of $2.50 per Unit. Each Unit is comprised of one common share of the Company and one Share purchase warrant.

On **April 22, 2015** the Company closed a non-brokered private placement offering (the "Offering") of 160,000 units ("Units") at a

price of $2.50 per Unit for gross proceeds of up to $400,000. Each Unit is comprised of one common share of the Company (a "Share") and one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $3.75 per Share for a period of 24 months from the date the Warrant is issued.

On **July 14, 2015** the Company closed a non-brokered private placement offering (the "Offering") of 175,000 units ("Units") at a price of $2.00 per Unit for gross proceeds of up to $350,000. Each Unit is comprised of one common share of the Company (a "Share") and one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $2.50 per Share for a period of 24 months from the date the Warrant is issued.

On **October 26, 2015** the Company announced a private placement offering (the "October 2015 Offering") of up to $250,000 and closed its first tranche of 108,000 units ("Units") at a price of $1.25 per Unit for gross proceeds of $135,000. Each Unit is comprised of one common share of the Company (a "Share") and one half of one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $2.00 per Share for a period of 12 months from the date the Warrant is issued. A certain person assisted the Company by introducing a subscriber for the October 2015 Offering and was paid a finder's fee of 10% of the total subscription proceeds received from the subscriber introduced to the Company by that person.

On **November 23, 2015** the Company announced that it has entered into amending agreements to extend the maturity dates of its CDN$1,000,000 non-convertible secured loan and its CDN$611,334 non-convertible secured loan. The loans were extended by 90 days and will now mature on March 31, 2016. The Loans will continue to bear interest at 12% per annum.

On **December 8, 2015**, the Company closed unsecured loans with two private lenders totaling $83,778. The promissory note evidencing the first loan of $56,000 was issued at a discount for a purchase price of $50,400. The promissory note evidencing the second loan of $27,778 was issued at a discount for a purchase price of $25,000. Both of the loans mature on March 31, 2016, are unsecured and bear interest at a rate of 20% per annum payable at the maturity of the loans

On **February 17, 2016**, the Company closed a secured loan for $100,000, with a company with an officer who is also an officer of the Company. The loan matures the earlier of i) one year from the closing date, ii) sixty days after the lender demands repayment, which the lender has the right to demand after May 16, 2016; or iii) upon the completion of any equity or debt financings or a combination of equity or debt financings that total $100,000. The loan bears interest at a rate of 12% per annum. The loan is secured by a first ranking charge on all assets of the Company.

On **April 13, 2016**, the Company changed its name to Luminor Medical Technologies Inc. and began trading on the TSX Venture Exchange under the new symbol "LMT" at the open of market on April 14, 2016. The Company also completed a twenty-five to one (25 – 1) consolidation of its common shares resulting in the Company having approximately 2,020,653 common shares issued and outstanding.

On **April 21, 2016**, the Company announced the appointment of Christian Sauvageau as the Company's new President & CEO. Prior to joining Luminor, Mr. Sauvageau founded his consulting firm, CSCG Inc., where he supported a select number of start-up and medical technology companies. Prior to starting CSCG Inc. in 2014, Mr. Sauvageau was Vice President of the Customer Innovation Business Unit at Merck Canada Ltd where he introduced innovative products and practices and contributed to the EUCAN Beyond the Pill strategy. During his 29 years of experience, Mr. Sauvageau also held senior sales, marketing, and business development positions at Merck & Co. He has national and international experience and has been instrumental in launching major brands in multiple therapeutic areas in addition to driving successful transformation activities. Mr Sauvageau joined the Board of Directors in June 2016.

On **June 22, 2016**, the Company announced that it had entered into a license agreement with its newly formed wholly owned subsidiary, Scout Assessment Corp. ("Scout Corp"), whereby all revenue related to the Company's Scout DS® diabetes screening device and the PreVu® assets including current contracts and future contracts will flow through Scout Corp. The Company has entered into amending agreements to transfer its CDN$1,611,334 in secured loans (the "Loans") from Luminor Medical to Scout Corp. The Loans are secured through a general security agreement against Scout Corp. and the security interest against Luminor Medical has been discharged. The maturity date has been extended from a current obligation to $300,000 due on December 31, 2018, $400,000 due on December 31, 2019, $600,000 due on December 31, 2020 and $311,334 plus all accrued interest and any other amounts due on December 31, 2021. The principal and interest payments will be accelerated based on payments of ten percent (10%) of all gross sales on Scout Corp Assets.

On **October 24, 2016**, the Company completed a financing and issued 2,045,000 units (each a "Unit") at a price of $0.15 per Unit for gross proceeds of $306,750. Each Unit consists of one common share and one half of one common share purchase warrant (a "Warrant") with each Warrant exercisable at a price of $0.25 until October 21, 2018. The Company also issued $175,000 in convertible loans, convertible into common shares at a price of $0.20 per common share and subject to an interest rate of 8% per

annum. The convertible loans include an unsecured convertible loan of $50,000 due July 31, 2017, an unsecured convertible loan of $25,000, issued to a director of the Company, due on December 31, 2016 and a secured convertible loan of $100,000, issued to Bradstone Financial Corp. (“Bradstone Financial”), a company which has an director/officer in common with an officer of the Company, due on December 31, 2017 (the “Bradstone Loan”). The conversion rights on the Bradstone Loan may only be exercised if Bradstone Financial, and/or its directors, officers or affiliates own less than 20% of the Company on a diluted basis. The Company also announces shares for debt transactions with certain vendors at price of $0.20 per share. The Company issued 57,500 common shares to extinguish debt totaling $11,750. 20,000 of the common shares or $4,000 of the debt, relating to interest on a loan, was issued to a director of the Company.

On **December 28, 2016**, the Company closed a non-brokered private placement through the issuance of 5,050,609 units ("Units") at a price of $0.225 per Unit for gross proceeds of $1,136,387.53. Each Unit is comprised of one common share of the Company and one-half Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share for a period of twenty-four (24) months from the closing of the Offering at a price of $0.30 per Common Share.

On **September 28, 2017**, the company completed a non-brokered private placement through the issuance of 14,948,798 units (“Units”) at a price of $0.15 per Unit for gross proceeds of $2,242,319.70 (the “Offering”). Each Unit is comprised of one common share (“Common Share”) of the Company and one-half of one Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common Share until September 27, 2019 at a price of $0.25 per Common Share. The proceeds of the Offering will be used for general working capital purposes. All securities issued in connection with the Offering are subject to a statutory hold period until January 28, 2018 in accordance with applicable securities legislation.

Overview

During 2016 and to date in 2017, the strategic direction of the Company was centered on the acquisition, development and commercialization of diagnostic and risk assessment technologies for unmet clinical needs. In order to advance these research and development programs, Luminor continued incurring operating losses. Management has implemented certain operating costs control measures in an effort to conserve cash and manage the Company’s burn rate.

The Company’s unaudited financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. There are material uncertainties that cast significant doubt upon the Company's ability to continue as a going concern as the Company has experienced operating losses and cash outflows from operations since incorporation, has accumulated a deficit of $24,924,776 as at August 31, 2017 (November 30, 2016 - $23,634,384) and a working capital deficiency of $908,380 (November 30, 2016 - $1,156,318).

Management has forecast that expected expenditure levels and contracted commitments will exceed the Company's net cash inflows and working capital during 2017 unless further financing is obtained. In short, additional sources of funding are required to carry on operations.

Financial Information for the Nine Months ended August 31, 2017

The Company expects limited revenue for the 2017 fiscal year.

Selling, general and administration expenses include those costs not directly related to research and development activities. This includes expenses associated with management services, and professional fees such as legal, audit and investor and public relations activities. Selling, general and administration was $812,652 (2016 - $404,947) for the nine months ended August 31, 2017. The increase in selling, general and administrative costs can be attributed to the increase in payroll, office expenses and development of the Company’s technology.

The Company expects an increased level of Scout DS® technology costs, minimal PreVu® technology costs and an increased level of compensation and other administration costs for fiscal 2017 as a result of the implementation the company’s business plan since May 2016.

Finance expense for the nine months ended August 31, 2017 was $239,882 (2016 - $257,545). During the period, $25,000 of the Company’s $175,000 in convertible debentures was converted into 125,000 common shares.

The Company had a net loss of $1,290,392 (2016 - $662,989) for the nine months ended August 31, 2017 and loss per average

share outstanding of $0.15 (2016 - $0.33).

Financial Information for the Three Months ended August 31, 2017

The Company expects limited revenue for the 2017 fiscal year.

Selling, general and administration expenses include those costs not directly related to research and development activities. This includes expenses associated with management services, and professional fees such as legal, audit and investor and public relations activities. Selling, general and administration was $196,674 (2016 - $119,369) for the three months ended August 31, 2017. The increase in selling, general and administrative costs can be attributed to the increase in payroll, office expenses and development of the Company's technology.

The Company expects an increased level of Scout DS® technology costs, minimal PreVu® technology costs and an increased level of compensation and other administration costs for fiscal 2017 as a result of the implementation the company's business plan since May 2016.

Finance expense for the three months ended August 31, 2017 was $81,308 (2016 - $80,115).

The Company had a net loss of $277,983 (2016 - $199,484) for the three months ended August 31, 2017 and loss per average share outstanding of $0.03 (2016 - $0.10).

Selected Quarterly Financial Information

The selected financial information, presented under IFRS, provided in the table below is derived from the unaudited quarterly financial statements for each of the last eight quarters (in $'s):

	2017-Q3	2017-Q2	2017-Q1	2016-Q4
Loss	277,983	412,735	599,674	445,653
Loss per share	0.03	0.04	0.08	0.17
	2016–Q3	**2016-Q2**	**2016-Q1**	**2015-Q4**
Loss	198,484	220,897	242,609	1,366,123
Loss per share	0.10	0.11	0.12	0.76

Liquidity and Capital Resources

Since inception, the Company has financed its operations from public and private sales of equity, issuance of debt, the exercise of warrants and stock options, interest income on funds available for investment and, government grants. As at August 31, 2017, the Company had cash totaling $138,731 as compared with $133,134 at November 30, 2016.

The Company had a working capital deficiency of $908,380 as at August 31, 2017 (November 30, 2016 - $1,156,318).

On September 28, 2017, the company completed a non-brokered private placement through the issuance of 14,948,798 units ("Units") at a price of $0.15 per Unit for gross proceeds of $2,242,319.70 (the "Offering"). Each Unit is comprised of one common share ("Common Share") of the Company and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share until September 27, 2019 at a price of $0.25 per Common Share. The proceeds of the Offering will be used for general working capital purposes.

The Company periodically enters into long term contractual agreements for the leases of office facilities and equipment, management services, and certain purchased services. The following table presents commitments arising from agreements currently in force over the next five years.

	Payments due by Period			
	Within 1 year	2 - 3 years	4 - 5 years	Total
Accounts payable and accrued liabilities	$ 1,048,461	$ -	$ -	$ 1,048,461
Long-term debt including interest	-	700,000	2,000,218	2,700,218
Convertible debt including interest	163,399	-	-	163,399
	$ 1,211,860	$ 700,000	$ 2,000,218	$ 3,912,078

The Company is obligated to pay royalties to PreMD based on any future commercial sales of PreVu® Skin Cholesterol test equal to 10 percent of gross revenue associated with PreVu®. The Company retains the right to buy out the royalty at anytime for a one time payment of $1,000,000. There were no royalties paid or accrued during the nine months ended August 31, 2017 and 2016.

The Company is obligated to pay royalties to Canada Israel Industrial Research and Development Foundation ("CIIRDF") based on any future product revenues, if any, from the exploitation of the preeclampsia technology contemplated in the project funding agreement equal to 2.5 percent up to a maximum of the amounts funded under the agreement. To August 31, 2017, no royalties are due and/or payable.

The Company is obligated to pay a royalty to MSH, subject to minimum annual royalties, of a stipulated percentage of the net sales of licensed products related to the worldwide rights to commercialize a portfolio of biomarkers for use in developing diagnostic assays for the early detection of preeclampsia, if any, along with other milestone payments. If the Company sub licenses any rights under the MSH Agreement to a third party, the Company shall pay MSH a stipulated percentage of sub license fee and sub license royalty fee. No royalties were paid to MSH during the nine months ended August 31, 2017 and 2016.

Off Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements.

Related Party Transactions

(a) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, President & CEO and Chief Financial Officer are key management personnel.

In addition to their salaries, the Company also provides non-cash benefits and participation in the Stock Option Plan (Note 5 (c)). Compensation paid to key management personnel for the periods ended August 31, 2017 and 2016 is as follows:

	2017	2016
Salaries, fees and short-term employee benefits	$ 233,000	$ 112,500
Stock based compensation	165,634	-
	$ 398,634	$ 112,500

(b) Key management personnel and shareholder transactions

Directors and key management personnel controlled fourteen (14) percent (November 30, 2016 - twenty (20) percent) of the voting shares of the Company as at August 31, 2017.

Subsequent events

On September 28, 2017, the company acquired 100% of the outstanding shares of Jamaica-Blu Ltd. (“J-BLU”). J-BLU holds the exclusive Canadian licence of all current and future cannabis commercial products developed by Rise Research Inc. (“RISE”). RISE’s cannabis commercial products are based on a patent pending formula, currently filed with the U.S. Patent and Trademark

Office, to create precise cannabis-based formulations that may produce specifically targeted effects for various ailments including diabetes. Currently, RISE's portfolio consists of cannabis-based formulations which support patients with low libido called Jamaica blū and Jamaica pnk. Under the terms of the acquisition, the company issued 9,500,000 common shares to the shareholders of J-BLU and paid $200,000 to RISE for intellectual property access.

On September 28, 2017, the company completed a non-brokered private placement through the issuance of 14,948,798 units ("Units") at a price of $0.15 per Unit for gross proceeds of $2,242,319.70 (the "Offering"). Each Unit is comprised of one common share ("Common Share") of the Company and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share until September 27, 2019 at a price of $0.25 per Common Share. The proceeds of the Offering will be used for general working capital purposes. All securities issued in connection with the Offering are subject to a statutory hold period until January 28, 2018 in accordance with applicable securities legislation.

Changes in Accounting Policies

New standards and interpretations not yet adopted

Certain new standards, interpretations and amendments to existing standards issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are not yet effective up to the date of issuance of the Company's financial statements are listed below. The Company is assessing the impact of these pronouncements on its results and financial position. The Company intends to adopt those standards when they become effective.

IFRS 9 *Financial Instruments: Classification and Measurement*

IFRS 9 replaces the guidance in IAS 39 *Financial Instruments: Recognition and Measurement,* on the classification and measurement of financial assets. The Standard eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive income ("OCI"), with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions.

IFRS 15, *Revenue from Contracts with Customers*

IFRS 15, *Revenue from Contracts with Customers*, issued by the IASB in May 2014, is applicable to all revenue contracts and provides a model for the recognition and measurement of gains or losses from sales of some non-financial assets. The core principle is that revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively [for example, service revenue and contract modifications] and improve guidance for multiple-element arrangements. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively, with earlier adoption permitted. Entities will transition following either a full or modified retrospective approach. The Company is currently evaluating the impact of the above standard on its financial statements.

Financial and other instruments

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. The carrying values of current monetary assets and liabilities approximate their fair values due to their relatively short periods to maturity. The fair value of the Company's secured debt is estimated to approximate its carrying value based on the terms of the secured debt. The royalty obligation and other current and long-term liabilities are carried at fair value (level 3).

IFRS 13 *Fair Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 - Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

The fair value hierarchy of financial instruments measured at fair value on the Statements of Financial Position as at August 31, 2017 is as follows:

	Level 1	Level 2	Level 3
Financial Liabilities			
Accounts payable and accrued liabilities	-	-	1,048,461
Current portion of convertible debentures	-	146,975	-
Current portion of accrued interest	-	16,425	-
Secured debt	-	1,611,334	-
Accrued interest	-	1,088,884	-

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the nine months ended August 31, 2017, there were no transfers between Level 1 and Level 2 fair value measurements.

Risks arising from financial instruments and risk management:

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. The Company identifies, evaluates and, where appropriate, mitigates financial risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The audit committee of the board is responsible to review the Company's risk management policies.

(i) Market Risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings or financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign exchange risk

The Company operates primarily within Canada although a portion of its expenses are incurred in other countries primarily the United States dollars ("US dollar"). Foreign exchange risk arises because the cost of transactions denominated in foreign currencies may vary due to changes in exchange rates. The Company has not entered into foreign exchange derivative contracts. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar would not have a significant effect on the Company's results of operations, financial position or cash flows.

As at August 31, 2017, the Company is exposed to currency risk through its cash and accounts payable denominated in US dollars. Based on the net exposures as at August 31, 2017, and assuming that all other variables remain constant, a 5% appreciation or deterioration of the Canadian dollar against the US dollar would not be significant.

Interest rate risk

The Company is subject to interest rate risk on its cash and cash equivalents and long-term debt. The Company believes that interest rate risk is low as the Company does not hold any term deposits and interest earned on cash equivalents is variable. The long-term debt is at a fixed interest rate. A change of 1% in interest rates over the quarter ended August 31, 2017 would not have had a significant effect on loss for the period.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its

contractual obligations, and arises principally from the Company's accounts receivable. The carrying amount of financial assets represents the maximum credit exposure. The Company believes there is insignificant credit risk associated with its accounts receivable based on the nature of the counterparties.

Financial instruments that potentially expose the Company to significant concentrations of credit risk consist principally of cash. The Company has investment policies to mitigate against the deterioration of principal and to enhance the Company's ability to meet its liquidity needs.

(iii) Liquidity and Funding Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations. The Company manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional financing based on those forecasts.

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. The Company manages its funding risk by forecasting its cash needs on a regular basis and continuously monitoring the stock price and other market conditions.

(c) Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern in order to pursue the development of its products and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable level; and
- To provide an adequate return to shareholders commensurate with the level of risk associated with a development stage biotechnology company.

The capital structure of the Company consists of cash, long-term debt and equity comprising, issued capital, contributed surplus, warrants, and stock options.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, granting of stock options, the issuance of debt or by undertaking other activities as deemed appropriate under the specific circumstances. The Company's overall strategy with respect to capital risk management remains unchanged from the year ended November 30, 2016.

The Company is not subject to externally imposed capital requirements. In order to maximize ongoing research and development of its products, the Company does not pay out dividends.

Share Capital

On December 28, 2016, the Company closed a non-brokered private placement through the issuance of 5,050,609 units ("Units") at a price of $0.225 per Unit for gross proceeds of $1,136,387.53. Each Unit is comprised of one common share of the Company and one-half Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share for a period of twenty-four (24) months from the closing of the Offering at a price of $0.30 per Common Share.

On September 28, 2017, the company completed a non-brokered private placement through the issuance of 14,948,798 units ("Units") at a price of $0.15 per Unit for gross proceeds of $2,242,319.70 (the "Offering"). Each Unit is comprised of one common share ("Common Share") of the Company and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share until September 27, 2019 at a price of $0.25 per Common Share.

	October 27, 2017	August 31, 2017	November 30, 2016
Common shares issued and outstanding	33,836,449	9,387,651	4,023,153
Shares to be issued	-	333,333	100,000
Options outstanding	678,000	678,000	133,820
Warrants outstanding	11,976,262	3,636,194	1,230,440

Risks and Uncertainty

The Company operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control, which could have a material adverse effect upon the Company, its business and future prospects. Investors should carefully consider the risks and uncertainties described below, as well as other information contained in this MD&A. The risks and uncertainties described below are not exhaustive. There may be risks and uncertainties not presently known to the Company or that the Company believes to be immaterial which could adversely affect the Company and its business in the future.

Risks Related to the Company's Financial Condition

- The Company has mainly relied on equity and debt financing and grant funding to support operations and will continue to need significant amounts of additional capital. The Company intends to raise additional financing, as required, through research, partnering and licensing arrangements, the exercise of warrants and options, and through equity and/or debt financing. However, there can be no assurance that these financing efforts will be successful or that the Company will continue to be able to meet ongoing cash requirements. It is possible that financing will not be available or, if available, may not be on favourable terms. The Company may fail to obtain additional financing and be unable to fund operations and commercialize its product candidates. The availability of financing will be affected by the results of scientific and clinical research, the Company's ability to attain regulatory approvals, the market acceptance of the Company's products, the state of the capital markets generally (with particular reference to pharmaceutical, biotechnology and medical companies), the status of strategic alliance agreements, and other relevant commercial considerations. Any future equity financing could result in significant dilution to existing shareholders.

- The Company earned nil revenue through the first three quarters of 2017 on its commercial market development of the Scout DS® technologies but, in light of the length of time and expense associated with bringing new products through commercialization, obtaining regulatory approval and bringing products to market, operating losses are expected to continue unless and until the Company is able to generate sufficient revenues from the commercial sale or lease of its diagnostic products.

- The Company must meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt and failure to do so could cause the lender to demand on its security on the Company's long term debt. There can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

Risks Related to the Company's Business and Operations

- The Company is in various stages of development of diagnostic and risk assessment products and, as a result, is unable to predict whether it will be able to profitably commercialize its products. There can be no assurance that the Company will be able to commercialize its products.

- Failure to protect intellectual property, or infringement on the intellectual property rights of others, may impede the Company's ability to operate freely. There can be no assurance that the Company's intellectual property rights will not be challenged by third parties, that the Company will receive patents it seeks, or that the Company will receive any necessary licenses. The Company could incur substantial costs in enforcing its intellectual property rights or defending its intellectual property rights against claims brought by others. Luminor views patents and other means of intellectual property protection as essential to the Company's core business by protecting the Company's proprietary technology from infringement by competitors. To that end, patents will be reviewed and continued to be sought in relation to those components or concepts of each of its pre clinical and clinical diagnostic products by management of the Company to ensure the highest level of protection possible given the Company's financial

position is obtained. The Company requires all employees, consultants, and parties to collaborative research agreements to execute confidentiality agreements upon the commencement of employment, consulting relationships or a collaboration with the Company. These agreements require that all confidential information developed or made known during the course of the engagement with Luminor is to be kept confidential. The Company also maintains agreements with scientific staff and all parties contracted in a scientific capacity, providing that all inventions resulting from work performed for Luminor, using Luminor' property, or relating to Luminor' business and conceived or completed during the period covered by the agreement are the exclusive property of the Company. Despite these practices, there can be no assurance that the Company will be able to successfully protect its intellectual property rights.

- The Company's business is subject to significant government regulation and failure to achieve and maintain regulatory approval of diagnostic products would negatively affect its business. The process for obtaining such approval, including clinical trials, varies by country and type of product, and the process can be time consuming and costly.

- The Company is dependent on strategic partners, including clinical investigators and contract research organizations, as well as its lenders, as part of its diagnostic product development strategy, and it would be negatively affected if it is not able to initiate or maintain these relationships. Furthermore, a failure of any of these strategic partners to perform their obligations or to continue in the partnership could delay or halt the development strategy. There can be no assurance that these strategic partners will not pursue other technologies or develop alternative products competing with those of the Company. As well, there can be no assurance that the Company will continue to meet its debt repayment obligations and/or renegotiate the terms and/or obtain an additional extension to the maturity date of the secured debt.

- The Company may be dependent on others for the manufacture, development and sale of its products. If the Company is unable to establish or manage collaborations in the future, or if the Company encounters difficulties with these collaborations, there could be a delay in the manufacture, development and sale of products.

- Even if product candidates receive all of the required regulatory approvals, there is no guarantee of market acceptance or commercialization of the resulting product candidates, which will be determined by the Company's sales, marketing and distribution capabilities and the positioning and competitiveness of its diagnostic products compared with any alternatives.

- The Company's ability to successfully market certain diagnostic products may depend in part on the extent to which reimbursement for the cost of such products will be available from government health administration authorities, private health insurers and other organizations. Significant uncertainty exists as to whether newly approved healthcare products will qualify for reimbursement, or the timing by which such reimbursement can be secured. Furthermore, challenges to the price of medical products and services are becoming more frequent. There can be no assurance that adequate third party coverage will be available to establish price levels, which would allow the Company to realize an acceptable return on its investment in product development. Although non reimbursed, user pay models may be available to the Company, uncertainty exists to the degree to which lack of available reimbursement by government health administration authorities, private health insurers and other organizations could limit market adoption of the Company's products. Reimbursement issues and decisions vary country by country as to procedure and time for review and/or reimbursement approval.

- The Company's industry is characterized by intense competition and rapid change and a failure by the Company to react to such competition and change could have a material adverse effect on its business. Competitors may develop products that are more effective and less costly than those developed by the Company. There can be no assurance that developments by others will not cause the Company's products to become non-competitive.

- The Company may conduct development internationally and may be subject to laws and regulations of several countries which may affect the Company's ability to access regulatory agencies and may affect the enforceability and value of the Company's licenses and intellectual property.

- The testing and commercial use of diagnostic products involves exposure to product liability claims. Although the Company maintains liability insurance for certain claims, there is no assurance that such coverage will provide protection against all risks, or that such insurance will continue to be available on terms which would be acceptable to the Company. If a product liability claim was brought against the Company, it could have a material adverse effect on the Company and its financial condition.

- The Company is dependent on certain members of its management and scientific staff. If the Company fails to retain this staff, or to hire qualified key personnel, the implementation of the Company's business plan could slow and the Company may be unable to successfully develop and commercialize products.

Risks Relating to the Company's Common Shares

- The Company has not paid any cash dividends on its common shares and, for the foreseeable future, the Company does not intend to pay any cash dividends on its common shares and therefore its shareholders may not be able to receive a return on their shares unless they sell them. The policy of the Board of Directors of the Company is to retain all available funds in operations. The Board of Directors may reassess this policy from time to time. Any decision to pay dividends on the common shares of Luminor will be made by the Board of Directors based on the assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.
- The market price and trading volume of the Company's common shares have been volatile, and may continue to be volatile in the future. Variations in earnings estimates by securities analysts and the market prices of the securities of competitors may also lead to fluctuations in the trading price of the common shares. In addition, the financial markets may experience significant price and volume fluctuations that affect the market price of the Company's common shares that are not related to the Company's operating performance. Broad market fluctuation and economic conditions generally, and in the medical device sector specifically, may adversely affect the market price of the Company's common shares.
- The significant costs that the Company will incur as a result of being a public company in Canada could adversely affect its business.

Critical Accounting Policies and Estimates

The preparation of consolidated financial statements in conformity with International Financial Reporting Standards (IFRS) requires the Company to select from possible alternative accounting principles and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date, and revenue and reported costs and expenditures during the reporting period. Management believes that the estimates and assumptions upon which the Company relies are reasonable based upon information available at the time these estimates and assumptions are made. Estimates and assumptions may be revised as new information is acquired, and are subject to change.

In addition to the going concern assumption previously described, management believes that its most critical accounting policies and estimates relate to the following areas, with reference to notes contained in the consolidated financial statements for the nine months ended August 31, 2017:

Financial instruments

(i) Non-derivative financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: loans and receivables. The Company has not classified any assets or liabilities as held-to-maturity or available-for-sale.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost. Loans and receivables are comprised of cash and accounts receivable.

(ii) Non-derivative financial liabilities

The Company has the following non-derivative financial liabilities which are classified as other financial liabilities: accounts payable and accrued liabilities, secured debt and accrued interest on secured debt.

The Company had the following non-derivative financial liabilities, representing contingent consideration (note 8), which were classified as held for trading: other current obligation.

All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method. Costs incurred to obtain financing are deferred and amortized over the term of the associated debt using the effective interest method. The related amortization is a non-cash charge to finance expense.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

(iii) Share capital

Common voting shares are classified as equity. Incremental costs directly attributable to the issue of common voting shares are recognized as a deduction from equity, net of any tax effects.

(iv) Warrants

Warrants are classified as equity. Incremental costs directly attributable to the exercise of warrants and related issue of common voting shares are recognized as a deduction from equity, net of any tax effects.

Revenue recognition

Revenue from the sale of goods is measured by reference to the fair value of consideration received or receivable for goods supplied. Revenue from product sales is recognized when all the following conditions have been satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measure reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company, and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company may enter into sales agreements with customers that have multiple element arrangements. When these multiple elements have stand-alone value to the customer, the components are accounted for separately, based on the relative selling prices, using the appropriate revenue recognition criteria as described above.

Lease revenue from leasing Scout DS® devices to customers under operating leases is recognized as earned over the term of the lease on a straight-line basis.

Royalty and license revenues will be recognized in revenue once an option to license a technology is exercised and as the contracted services are performed in accordance with the terms of the specific agreement.

Up-front payments and option fees received for the use of technology where further services are to be provided are recognized over the period of performance of the related activities on the statement of net loss and comprehensive loss. Amounts received in advance of recognition are included in deferred revenue.

Intangible assets

(i) Research and development

Expenditures on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. No development costs have been capitalized to date.

(ii) Acquired intellectual property - PreVu® and Scout DS®

Costs incurred for acquired intellectual property - PreVu® and Scout DS® were being amortized over the estimated period

that they were available for use in the manner intended by management, commencing with the commercial launch of the products associated with the acquired intellectual property. The PreVu® had an estimated period of five years.

(iii) Patents and trademarks

Costs incurred for patents, patents pending and trademarks are capitalized and amortized from the date of issuance on a straight-line basis over their respective legal lives or economic life, if shorter. Trademarks have an indefinite life. Costs incurred in successfully obtaining a patent or trademark are measured at cost less accumulated amortization and accumulated impairment losses. The cost of servicing the Company's patents and trademarks is expensed as incurred.

(iv) Technology license

The Company's technology license was recorded at cost and amortized over its estimated useful life.

(v) Other intangible assets

The Company's other intangible assets are recorded at cost and amortized over their estimated useful life.

(vi) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred.

Impairment

(i) Financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss for financial assets carried at amortized cost. The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

(ii) Non-financial assets

The carrying amounts of the long-lived non-financial assets, including intangible assets and property and equipment, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets that have indefinite lives and intangible assets not yet put into use are evaluated for impairment at least annually.

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell or its value in use. The fair value less costs to sell calculation is based on available data from observable market prices, less incremental costs. The value in use calculation is based on a discounted cash flow model. These calculations require the use of estimates and forecasts of future cash flows. Qualitative factors, including market size and market growth trends, strength of customer demand and degree of variability in cash flows, as well as other factors, are considered when making assumptions with regard to future cash flows and the appropriate discount rate. A change in any of the significant assumptions or estimates used to evaluate the underlying assets could result in a material change to the results of operations.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment had been recognized. Write-downs as a result of impairment are recognized in selling, general and administration expense for commercialized technologies and in research and development expense for technologies that have yet to be commercialized in the statement of net loss and comprehensive loss.

Forward Looking Statements

This Management's Discussion and Analysis ("MD&A") contains forward-looking information as defined in applicable securities laws (referred to herein as "forward-looking statements") that reflect the Company's current expectations and projections about its future results. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements

are based on the current assumptions, estimates, analysis and opinions of management of the Company made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors which the Company believes to be relevant and reasonable in the circumstances.

The Company uses words such as “believes,” “may,” “plan,” “will,” “estimate,” “continue,” “anticipates,” “intends,” “expects,” and similar expressions to identify forward-looking statements, which, by their very nature, are not guarantees of the Company’s future operational or financial performance, and are subject to risks and uncertainties, both known and unknown, as well as other factors that could cause the Company’s actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Specifically, this MD&A contains forward-looking statements regarding, but not limited to, the Company's:

- intention to acquire, develop and commercialize diagnostic tests for unmet clinical needs;
- intention to partner with large diagnostic companies and reference laboratories to commercialize and market technology;
- expectation regarding collaborative research agreements, upfront payments, milestone payments, ongoing royalties on sales and other sources of revenue;
- expectation regarding new diagnostic program opportunities;
- intentions regarding the protection of intellectual property;
- business strategy; and
- intention with respect to dividends.

Inherent in forward-looking statements are known and unknown risks, uncertainties and other factors beyond the Company’s ability to predict or control that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such risk factors include, among others, the Company’s stage of development, lack of product revenues, additional capital requirements, the ability to protect its intellectual property, dependence upon collaborative partners, changes in government regulation or regulatory approval processes, and rapid technological change in the industry. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- the availability of financing for the Company's research and development projects, or the availability of financing on reasonable terms;
- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals for the Company's research and development projects;
- interest rates and foreign exchange rates;
- the Company's costs of research projects;
- positive results of current and future clinical trials;
- the uncertainties associated with the acceptance and demand for new products;
- research projects not being unreasonably delayed and expenses not increasing substantially;
- government regulation not imposing requirements that significantly increase expenses or that delay or impede the Company's ability to bring new products to market;
- the Company's ability to attract and retain skilled staff;
- the impact of changes in Canadian-US dollar and other foreign exchange rates on the Company's costs and results;
- market competition;
- tax benefits and tax rates; and
- the Company's ongoing relations with its employees and with its business partners.

Although management of the Company believes that these forward-looking statements are based on reasonable assumptions, a number of factors could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements contained in this MD&A and any documents incorporated by reference herein are expressly qualified by this cautionary statement. The Company cautions you that the foregoing list of important factors and assumptions is not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. You should also carefully consider the matters discussed under “Risk Factors” in this MD&A which provides for additional risks and uncertainties relating to the Company and its business. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise, other than as may be required by applicable legislation.

APPENDIX C

AUDITED FINANCIAL STATEMENTS AS AT NOVEMBER 30, 2016

Consolidated Financial Statements
(Expressed in Canadian Dollars)

LUMINOR MEDICAL TECHNOLOGIES INC.
(Formerly Miraculins Inc.)

Years ended November 30, 2016 and 2015

MANAGEMENT REPORT

The accompanying consolidated financial statements have been prepared by management and approved by the Board of Directors of Luminor Medical Technologies Inc. (formerly Miraculins Inc.) (the "Company"). Management is responsible for the information and representations contained in these consolidated financial statements.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards. The significant accounting policies, which management believes are appropriate for the Company, are described in note 3 to these consolidated financial statements. The Company maintains a system of internal control and appropriate processes to provide reasonable assurance that assets are safeguarded and to ensure that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving these consolidated financial statements and overseeing management's performance of its financial reporting responsibilities. An Audit Committee comprised of non-management Directors is appointed by the Board. The Audit Committee reviews the consolidated financial statements, audit process and financial reporting with management and with the external auditors and reports to the Board of Directors prior to the approval of the audited consolidated financial statements for publication.

MNP LLP, the Company's external auditors, who are appointed by the shareholders, audited the consolidated financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the shareholders their opinion on these consolidated financial statements; their report follows.

"Christian Sauvageau"

Mr. Christian Sauvageau
President & Chief Executive Officer

"Chris Carmichael"

Mr. Chris Carmichael
Chief Financial Officer

March 30, 2017

Independent Auditors' Report

To the Shareholders of Luminor Medical Technologies Inc.:

We have audited the accompanying consolidated financial statements of Luminor Medical Technologies Inc. (formerly Miraculins Inc.), which comprise the consolidated statement of financial position as at November 30, 2016 and the consolidated statements of net loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Luminor Medical Technologies Inc. (formerly Miraculins Inc.) as at November 30, 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter
Without modifying our opinion, we draw attention to Note 2(c) to the consolidated financial statements which highlights the existence of a material uncertainty relating to conditions that cast significant doubt on Luminor Medical Technologies Inc.'s (formerly Miraculins Inc.) ability to continue as a going concern.

Other Matter
The consolidated financial statements as at November 30, 2015 and for the year then ended were audited by other auditors who expressed an opinion without reservation on those statements in their audit report dated March 29, 2016.

MNP LLP

Mississauga, Ontario — Chartered Professional Accountants

March 30, 2017 — Licensed Public Accountant

MNP

LUMINOR MEDICAL TECHNOLOGIES INC.
(Formerly Miraculins Inc.)

Consolidated Statements of Financial Position
November 30, 2016 and 2015

	Note	November 30, 2016	November 30, 2015
Assets			
Current assets:			
Cash		$ 133,134	$ 1,997
Accounts receivable		40,435	9,010
Prepaid expenses		4,271	74,390
Total current assets		177,840	85,397
Non-current assets:			
Property and equipment	4	265,779	285,714
Total assets		**$ 443,619**	**$ 371,111**
Liabilities and Shareholders' Deficiency			
Current liabilities:			
Accounts payable and accrued liabilities		$ 1,260,495	$ 1,017,766
Secured promissory notes	7(a)	-	1,597,960
Convertible notes	7(b)	71,658	-
Accrued interest	7	2,005	467,253
Total current liabilities		1,334,158	3,082,979
Non-current liabilities			
Secured promissory notes	7(a)	1,611,334	-
Convertible notes	7(b)	90,160	-
Accrued interest	7	886,438	-
Total non-current liabilities		2,587,932	-
Shareholders' deficiency:			
Share capital	8	15,027,395	14,803,770
Shares to be issued	8	15,000	-
Contributed surplus	8	4,578,362	3,829,149
Warrants	8	535,156	1,180,955
Deficit		(23,634,384)	(22,525,742)
Total deficiency		(3,478,471)	(2,711,868)
Total liabilities and equity		**$ 443,619**	**$ 371,111**
Going concern	2(c)		
Commitments and contingencies	11		
Subsequent events	15		

On behalf of the Board:

"Christian Sauvageau"
Director

"Harry Bloomfield"
Director

The accompanying notes are an integral part of these consolidated financial statements

LUMINOR MEDICAL TECHNOLOGIES INC.
(Formerly Miraculins Inc.)

Consolidated Statements of Net Loss and Comprehensive Loss
Years ended November 30, 2016 and 2015

	Note	2016	2015
Revenues			
Product sales and other income	6	$ -	$ 9,146
		-	9,146
Expenses			
Selling, general, and administration	12	576,969	1,950,341
Finance expense	10	343,867	(428,268)
Foreign exchange loss, net		498	(23,360)
Contract and debt settlement, net	6	187,308	-
Write-down of intangible assets	5	-	893,367
Total expenses		(1,108,642)	(451,628)
Net loss and comprehensive loss for the period		$ (1,108,642)	$ (3,286,190)
Basic and diluted weighted average shares outstanding	8(e)	2,233,203	1,603,384
Basic and diluted loss per share		$ (0.50)	$ (2.05)

The accompanying notes are an integral part of these consolidated financial statements

LUMINOR MEDICAL TECHNOLOGIES INC.
(Formerly Miraculins Inc.)

Consolidated Statements of Changes in Shareholders' Deficiency
Years ended November 30, 2016 and 2015

		Number of shares	Share capital	Shares to be issued	Contributed surplus	Warrant reserve	Accumulated deficit	Total deficiency
Balance, November 30, 2014		1,469,107	$ 13,964,680	$ -	$ 3,627,229	$ 931,108	$ (19,239,552)	$ (716,535)
Loss and comprehensive loss for the year		-	-	-	-	-	(3,286,190)	(3,286,190)
Private placements	8	523,000	704,835	-	-	334,525	-	1,039,360
Share-based payments	8	-	-	-	6,600	-	-	6,600
Shares and warrants issued on settlement of debt	8	5,346	32,747	-	-	131,000	-	163,747
Warrants exercised	8	23,200	101,508	-	-	(20,358)	-	81,150
Warrants expired	8	-	-	-	195,320	(195,320)	-	-
Balance, November 30, 2015		2,020,653	14,803,770	-	3,829,149	1,180,955	(22,525,742)	(2,711,868)
Loss and comprehensive loss for the year		-	-	-	-	-	(1,108,642)	(1,108,642)
Private placements	8	2,045,000	206,950	15,000	-	84,800	-	306,750
Shares issued on settlement of debt	8	57,500	16,675	-	-	-	-	16,675
Conversion feature on convertible debentures	7	-	-	-	18,614	-	-	18,614
Warrants expired	8	-	-	-	730,599	(730,599)	-	-
Balance, November 30, 2016		**4,123,153**	**$ 15,027,395**	**$ 15,000**	**$ 4,578,362**	**$ 535,156**	**$ (23,634,384)**	**$ (3,478,471)**

The accompanying notes are an integral part of these consolidated financial statements

LUMINOR MEDICAL TECHNOLOGIES INC.
(Formerly Miraculins Inc.)

Consolidated Statements of Cash Flows
Years ended November 30, 2016 and 2015

	Note	2016	2015
Cash provided by (used in)			
Operating activities:			
Net loss for the period		$ (1,108,642)	$ (3,286,190)
Items not involving operating cash flows:			
Share-based payments	8	-	6,600
Contract and debt settlement	6 & 8	187,308	-
Amortization	4	19,935	147,111
Write-down of intangible assets	5	-	893,367
Finance expenses		269,363	428,268
Changes in non-operating working capital:			
Accounts receivable		(31,425)	20,617
Prepaid expenses		70,119	(34,666)
Accounts payable and accrued liabilities		242,729	83,803
Net cash used in operating activities		(350,613)	(1,741,090)
Investing activities:			
Amendment of Scout DS® purchase agreement	6	-	(500,000)
Purchase of property, plant, and equipment	4	-	(10,820)
Purchase of intangible assets	5	-	(13,869)
Net cash used in investing activities		-	(524,689)
Financing Activities:			
Proceeds from private placements	8	306,750	1,122,513
Proceeds from debt financing	7	175,000	-
Interest paid		-	(16,481)
Net cash provided by financing activities		481,750	1,106,032
Increase (decrease) in cash		131,137	(1,159,747)
Cash, beginning of the year		1,997	1,161,744
Cash, end of the year		**$ 133,134**	**$ 1,997**
Supplemental cash flow information:			
Warrants issued on amendment of Scout DS® purchase agreement	6	$ 16,675	$ 32,747
Shares issued to settle amounts payable	8	$ -	$ 131,000
Warrants issued as share issue costs	8	$ -	$ 1,329

The accompanying notes are an integral part of these consolidated financial statements

1. Reporting entity:

Luminor Medical Technologies Inc. (Formerly Miraculins Inc.) (the "Company") is a company domiciled and incorporated in Canada. The address of the Company's registered office is 201-179 McDermot Avenue, Winnipeg, Manitoba, Canada. The Company's common shares are publicly traded on the TSX Venture Exchange. The Company's focus is the acquisition and/or development of diagnostic opportunities in areas where there are unmet clinical needs. The Company's primary technology program relates to diabetes as the Company acquired all the assets related to the Scout DS®, a diabetes screening technology on July 31, 2013.

2. Basis of preparation of financial statements:

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations Committee ("IFRIC").

These consolidated financial statements were authorized for issue by the Board of Directors on March 30, 2017.

(b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments which are measured at fair value.

(c) Going concern

These financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. There are material uncertainties that cast significant doubt about the Company's ability to continue as a going concern as the Company has experienced operating losses and cash outflows from operations since incorporation and has accumulated a deficit of $23,634,384 as at November 30, 2016 (2015 - $22,525,742) and a working capital deficiency of $1,156,318 (2015 - $2,997,582).

Management has forecast that expected expenditure levels and contracted commitments will exceed the Company's net cash inflows and working capital during the second quarter of fiscal 2017 unless further financing is obtained. Additional sources of funding will be required commencing in the second quarter of fiscal 2017 to carry on operations. The Company's future operations including the manufacturing of the Scout DS® are dependent upon its ability to secure additional funds, generate product sales, negotiate collaboration or license agreements with upfront payments, and/or obtain research grant funding. While the Company is striving to achieve these plans, there is no assurance that these and other strategies will be achieved or such sources of funds will be available or obtained on favourable terms or obtained at all. Historically, the Company has obtained funding via the issuance of shares and warrants and long term debt. If the Company cannot secure additional financing on terms that would be acceptable to it, generate product sales, negotiate collaboration or license agreements with upfront payments, and/or obtain research grant funding, the Company will have to consider additional strategic alternatives which may include, among other strategies, cost curtailments, delays of product launch and exploring the monetization of certain intangible assets, as well as seeking to out license and/or divest assets or a merger, sale or liquidation of the Company. Any divestiture of assets would be subject to the satisfaction of obligations under the security interests described in Note 7.

2. Basis of preparation of financial statements (continued):

(c) Going concern (continued)

The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities and commitments when due is dependent on many factors, including, but not limited to the successful completion of the actions taken or planned, some of which are described above, which are intended to mitigate the adverse conditions and material uncertainties that cast significant doubt about the validity of the going concern assumption used in preparing these consolidated financial statements. There can be no assurance that the Company will be able to obtain sufficient financing to meet future operational needs or that the above described and other strategies will be sufficient to permit the Company to continue as a going concern.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications used.

(d) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

(e) Use of significant estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Areas where management has made critical judgments in the process of applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include the commencement of the period of use of acquired intellectual property.

Information about key assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes to the consolidated financial statements:

- Note 3e(ii): The measurement and period of use of acquired intellectual property
- Note 3e(iii): The measurement and period of use of patents and trademarks
- Note 3g(ii): The assumptions and valuation technique used to estimate the value of share-based payment transactions.
- Note 7: The assumptions used to fair value the debt component of convertible debentures on initial recognition.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

(a) Foreign currency transactions

Transactions in foreign currencies are translated at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are re-translated at the exchange rate at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(b) Financial instruments

(i) Non-derivative financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: loans and receivables. The Company has not classified any assets or liabilities as held-to-maturity or available-for-sale.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost. Loans and receivables are comprised of cash and accounts receivable.

(ii) Non-derivative financial liabilities

The Company has the following non-derivative financial liabilities which are classified as other financial liabilities: accounts payable and accrued liabilities, secured debt and accrued interest on secured debt.

The Company had the following non-derivative financial liabilities, representing contingent consideration (note 8), which were classified as held for trading: other current obligation.

All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method. Costs incurred to obtain financing are deferred and amortized over the term of the associated debt using the effective interest method. The related amortization is a non-cash charge to finance expense.

3. Significant accounting policies (continued):

(b) Financial instruments (continued)

(ii) Non-derivative financial liabilities (continued)

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

(iii) Share capital

Common voting shares are classified as equity. Incremental costs directly attributable to the issue of common voting shares are recognized as a deduction from equity, net of any tax effects.

(iv) Warrants

Warrants are classified as equity. Incremental costs directly attributable to the exercise of warrants and related issue of common voting shares are recognized as a deduction from equity, net of any tax effects.

(c) Revenue recognition

Revenue from the sale of goods is measured by reference to the fair value of consideration received or receivable for goods supplied. Revenue from product sales is recognized when all the following conditions have been satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measure reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company, and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company may enter into sales agreements with customers that have multiple element arrangements. When these multiple elements have stand-alone value to the customer, the components are accounted for separately, based on the relative selling prices, using the appropriate revenue recognition criteria as described above.

Lease revenue from leasing Scout DS® devices to customers under operating leases is recognized as earned over the term of the lease on a straight-line basis.

Royalty and license revenues will be recognized in revenue once an option to license a technology is exercised and as the contracted services are performed in accordance with the terms of the specific agreement.

Up-front payments and option fees received for the use of technology where further services are to be provided are recognized over the period of performance of the related activities on the statement of net loss and comprehensive loss. Amounts received in advance of recognition are included in deferred revenue.

3. Significant accounting policies (continued):

(d) Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated amortization and accumulated impairment losses. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. The costs of the day-to-day servicing of property and equipment are recognized in the statement of net loss and comprehensive loss in the period in which they are incurred.

(ii) Amortization

Amortization is recognized in profit or loss over the estimated useful lives of each part of an item of property and equipment in a manner which most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Asset	Basis	Rate
Computers and equipment	Straight-line	30%

Assets held for lease are recorded at cost and consist of finished Scout DS® medical devices and parts used in the manufacture of Scout DS® medical devices. These assets are classified as property and equipment as the current business model relating to Scout DS® involves leasing the devices to customers under operating leases. Amortization is provided using the straight-line method over the useful life of the devices, as the devices are leased out under operating leases, based on the estimated realizable value of the medical device at the end of the lease term. The parts used in the manufacture of Scout DS® medical devices are not being amortized until they are completed Scout DS® medical devices.

Equipment held for resale is stated at the lower of cost, net of previously recorded amortization, and fair value less costs to sell.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(e) Intangible assets

(i) Research and development

Expenditures on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. No development costs have been capitalized to date.

(ii) Acquired intellectual property - PreVu® and Scout DS®

Costs incurred for acquired intellectual property - PreVu® and Scout DS® were being amortized over the estimated period that they were available for use in the manner intended by management, commencing with the commercial launch of the products associated with the acquired intellectual property. The PreVu® had an estimated period of five years.

3. Significant accounting policies (continued):

(e) Intangible assets (continued)

(iii) Patents and trademarks

Costs incurred for patents, patents pending and trademarks are capitalized and amortized from the date of issuance on a straight-line basis over their respective legal lives or economic life, if shorter. Trademarks have an indefinite life. Costs incurred in successfully obtaining a patent or trademark are measured at cost less accumulated amortization and accumulated impairment losses. The cost of servicing the Company's patents and trademarks is expensed as incurred.

(iv) Technology license

The Company's technology license was recorded at cost and amortized over its estimated useful life.

(v) Other intangible assets

The Company's other intangible assets are recorded at cost and amortized over their estimated useful life.

(vi) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit or loss as incurred.

(f) Impairment

(i) Financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss for financial assets carried at amortized cost. The loss is the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

(ii) Non-financial assets

The carrying amounts of the long-lived non-financial assets, including intangible assets and property and equipment, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets that have indefinite lives and intangible assets not yet put into use are evaluated for impairment at least annually.

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell or its value in use. The fair value less costs to sell calculation is based on available data from observable market prices, less incremental costs. The value in use calculation is based on a discounted cash flow model. These calculations require the use of estimates and forecasts of future cash flows. Qualitative factors, including market size and market growth trends, strength of customer demand and degree of variability in cash flows, as well as other factors, are considered when making assumptions with regard to future cash flows and the appropriate discount rate. A change in any of the significant assumptions or estimates used to evaluate the underlying assets could result in a material change to the results of operations.

3. Significant accounting policies (continued):

(f) Impairment (continued)

(ii) Non-financial assets (continued)

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment had been recognized. Write-downs as a result of impairment are recognized in selling, general and administration expense for commercialized technologies and in research and development expense for technologies that have yet to be commercialized in the statement of net loss and comprehensive loss.

(g) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(ii) Share-based payment transactions

The grant date fair value of share-based payment awards granted to employees is recognized as a personnel expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions. In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment.

(h) Government grants

An unconditional government grant related to research and development activities is recognized in profit or loss as a deduction from the related expenditure when the grant becomes receivable. Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the asset.

(i) Finance income and finance costs

Finance income comprises interest income on funds invested which is recognized as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings which are recognized in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

(j) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

3. Significant accounting policies (continued):

(j) Income tax (continued)

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Scientific research and experimental development tax credits, which are earned as a result of incurring qualifying research and development expenditures, are recorded as a reduction of the related expense or cost of the asset acquired when there is reasonable assurance that they will be realized.

(k) Earnings (loss) per share

The Company presents basic earnings per share ("EPS") data for its common voting shares. Basic EPS is calculated by dividing the profit or loss attributable to common voting shareholders of the Company by the weighted average number of common voting shares outstanding during the period, adjusted for own shares held. Common voting share equivalents have been excluded from the calculation of diluted loss per share as their effect is anti-dilutive.

(l) Comparative figures

For comparative purposes, certain of the prior year figures have been reclassified.

(m) New standards and interpretations not yet adopted

Certain new standards, interpretations and amendments to existing standards issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are not yet effective up to the date of issuance of the Company's consolidated financial statements are listed below. The Company is assessing the impact of these pronouncements on its results and financial position. The Company intends to adopt those standards when they become effective.

3. Significant accounting policies (continued):

(m) New standards and interpretations not yet adopted (continued)

IFRS 9 *Financial Instruments: Classification and Measurement*

IFRS 9 replaces the guidance in IAS 39 *Financial Instruments: Recognition and Measurement,* on the classification and measurement of financial assets. The Standard eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive income ("OCI"), with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions.

IFRS 15, *Revenue from Contracts with Customers*

IFRS 15, *Revenue from Contracts with Customers*, issued by the IASB in May 2014, is applicable to all revenue contracts and provides a model for the recognition and measurement of gains or losses from sales of some non-financial assets. The core principle is that revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively [for example, service revenue and contract modifications] and improve guidance for multiple-element arrangements. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively, with earlier adoption permitted. Entities will transition following either a full or modified retrospective approach. The Company is currently evaluating the impact of the above standard on its consolidated financial statements.

Amendments to IAS 1, *Presentation of Consolidated financial statements*

On December 18, 2014 the IASB issued amendments to IAS 1 as part of its major initiative to improve presentation and disclosure in financial reports (the "Disclosure Initiative"). The amendments are effective for annual period beginning on or after January 1, 2016. Early adoption is permitted. These amendments will not require any significant change to current practice, but should facilitate improved financial statement disclosures. The Company intends to adopt these amendments in its consolidated financial statements for the annual period beginning on January 1, 2016. The extent of the impact of adoption of the amendments has not yet been determined.

IFRS 16, *Leases*

This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, *Leases*, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. The new standard is effective for annual periods beginning on or after January 1, 2019, which is when the Company intends to adopt IFRS 16 in its consolidated financial statements. The extent of the impact of adoption of the standard has not yet been determined.

4. Property and equipment:

Cost	Computers and equipment	Assets held for lease	Total
Balance November 30, 2014	$ 36,526	$ 276,803	$ 313,329
Additions	2,882	7,938	10,820
Balance November 30, 2015 and 2016	$ 39,408	$ 284,741	$ 324,149

Accumulated amortization	Computers and equipment	Assets held for lease	Total
Balance November 30, 2014	$ 15,454	$ 1,067	$ 16,521
Amortization	8,037	13,877	21,914
Balance November 30, 2015	$ 23,491	$ 14,944	$ 38,435
Amortization	6,058	13,877	19,935
Balance November 30, 2016	$ 29,549	$ 28,821	$ 58,370

Carrying value	Computers and equipment	Assets held for lease	Total
At November 30, 2015	$ 15,917	$ 269,796	$ 285,714
At November 30, 2016	$ 9,859	$ 255,920	$ 265,779

5. Intangible assets:

Cost	Patents and trademarks	Intellectual Property Scout DS®	Acquired intellectual property - PreVu®	Technology licence	Total
Balance November 30, 2014	$ 95,477	$ 1,139,901	$ -	$ -	$ 1,235,378
Additions	13,869	-	-	-	13,869
Change due to write-downs and disposals	(109,346)	(1,139,901)	-	-	(1,249,247)
Balance November 30, 2015 and 2016	$ -	$ -	$ -	$ -	$ -

Accumulated amortization	Patents and trademarks	Intellectual Scout DS®	Acquired intellectual PreVu®	Technology licence	Total
Balance November 30, 2014	$ 6,053	$ 147,976	$ -	$ -	$ 154,029
Amortization	6,817	118,380	-	-	125,197
Change due to write-downs and disposals	(12,870)	(266,356)	-	-	(279,226)
Balance November 30, 2015 and 2016	$ -	$ -	$ -	$ -	$ -

Carrying value	Patents and trademarks	Intellectual Scout DS®	Acquired intellectual PreVu®	Technology licence	Total
At November 30, 2015 and 2016	$ -	$ -	$ -	$ -	$ -

Amortization expense related to intangible assets totals $nil (2015 - $125,197) for the year ended November 30, 2016 which $nil has been recorded in selling, general, and administration expenses on the Statement of Net Loss and Comprehensive Loss.

The Company began amortizing its acquired intellectual property relating to the Scout DS® technology in September 2013, in connection with the technology being available for use by the Company after acquiring the technology on July 31, 2013. The average remaining amortization period for Scout DS® intangible assets, comprised of primarily patents, is 7.2 years at November 30, 2016. The Company began amortizing its acquired intellectual property relating to the PreVu® technology in November 2012, in connection with the Company's pilot launch of this technology.

5. Intangible assets (continued):

The Company has considered indicators of impairment and performed required impairment testing for acquired intellectual property as at November 30, 2016. As at November 30, 2016 the Company has recognized an impairment loss totaling $nil (2015 - $873,545) relating to its Scout DS® technology (2015 - PreVu® technology) resulting from a change in strategy which is recorded on the Statements of Net Loss and Comprehensive Loss as a write-down of intangible assets.

As part of its ongoing review of all intellectual property, the Company recorded an impairment during the year ended November 30, 2015 of $96,476 which is recorded as a write-down of intangible assets on the Statement of Net Loss and Comprehensive Loss.

On October 15, 2008, the Company acquired worldwide rights to commercialize a portfolio of biomarkers for use in developing diagnostic assays for the early detection of preeclampsia from Mount Sinai Hospital ("MSH") in Toronto, Canada. The Company paid annual license fees of $10,000 in fiscal 2011, $15,000 in fiscal 2012 and $20,000 in fiscal 2013. The Company will also pay a royalty to MSH, subject to minimum annual royalties, of a stipulated percentage of the net sales of licensed products, if any, along with other milestone payments. If the Company sub-licenses any rights under the MSH license agreement (the "MSH Agreement") to a third party, the Company shall pay MSH a stipulated percentage of sub-license fee and sub-license royalty fee (Note 13(c)). The royalty, sub-license, and sub-license royalty fees, if any, are to be paid either monthly or quarterly. The agreement terminates on the expiration or final determination of the invalidity of the last patent issued under the MSH Agreement. On January 8, 2010, the Company and MSH amended the royalty and fee structure of the MSH Agreement (Note 11). On January 30, 2014, the holder of the rights elected not to proceed further with its license from the Company.

6. Contract settlement:

On August 14, 2014, the Company executed an agreement for the sale and distribution of Scout DS® medical devices into China (the “China Agreement”). Under the China Agreement, the Company was to receive an up-front payment of $150,000 USD within 30 business days of the agreement’s execution. This amount was received in September 2014 by the Company. Should the Company not receive Chinese Food and Drug Administration approval, 50% of the up-front payment is refundable under the China Agreement.

The $150,000 USD represented an up-front payment where further services were to be provided or fees received, it was recognized in income over the period of performance of the related activities within revenues and as at November 30, 2016, $Nil (2015 - $9,146) was recorded as revenue.

In fiscal 2017, the Company executed a release and repayment agreement on the China Agreement whereby the Company would repay US$10,000 on December 31, 2016, US$140,000 on March 31, 2017 and US$75,000 on May 31, 2017 in exchange for a release on the China Agreement. Included in accounts payable and accrued liabilities as at November 30, 2016 is CAD $302,107 related to this release and the Company recognized a loss on contract extinguishment during the year of CAD $202,133 (2015 - $Nil).

7. Notes payable

(a) The following summaries the Company's promissory notes payable as at and for the years ended November 30, 2016 and 2015:

		2016		2015
$1,000,000 secured promissory note (i)	$	-	$	994,683
$611,334 secured promissory note (ii)		-		603,277
$1,611,334 secured promissory note (iii)		1,611,334		-
Accrued interest		731,533		467,253
Deferred financing charges		140,000		140,000
	$	2,482,867	$	2,205,213
Current portion:				
Principle	$	-	$	1,597,960
Accrued interest and deferred financing charges	$	-	$	607,253
Long term portion:				
Principle	$	1,611,334	$	-
Accrued interest and deferred financing charges	$	871,533	$	-

(i) On November 19, 2015, a $1,000,000 non-convertible secured loan agreement, which was originally issued on October 12, 2011 and subsequently modified to mature on December 31, 2015, was extended to March 31, 2016 with accrued interest (12% per annum) due on April 30, 2016. The loan matured during the year ended November 30, 2016 and was combined into a new secured promissory note on June 16, 2016 (Note 7(a)(iii)). Accrued interest of $397,283 and deferred financing charges of $70,000 were also combined into the new promissory note.

(ii) On November 19, 2015, a $611,334 non-convertible secured loan agreement, which was originally issued in three tranches between January 10, 2014 and March 20, 2014 and subsequently modified to mature on December 31, 2015, was extended to March 31, 2016 with accrued interest (12% per annum) due on April 30, 2016. The loan matured during the year ended November 30, 2016 and was combined into a new secured promissory note on June 16, 2016 (Note 7(a)(iii)). Accrued interest of $214,909 and deferred financing charges of $70,000 were also combined into the new promissory note.

(iii) On June 16, 2016, the Company entered into an amending agreement whereby it combined the notes described in 7(a)(i) and (ii) together with accrued interest and deferred financing charges into a new secured promissory note. The note continues to bear interest at 12% per annum, compounded quarterly, and is to be repaid as follows:

- $300,000 due on December 31, 2018;
- $400,000 due on December 31, 2019;
- $600,000 due on December 31, 2020; and
- $311,334 plus all accrued interest and any other amounts due on December 31, 2021.
- The principal and interest payments will be accelerated based on payments of ten percent (10%) of all gross sales on Scout Corp Assets.

The note is secured by a general security interest in favor of the lender over all tangible and intangible assets of the Company's subsidiary Scout Assessment Corp., excluding the assets relating to the Scout DS®, which were acquired on July 31, 2013.

The loan has been accounted for as a modification of the previous two loans, in accordance with IAS 39 paragraph 40, as the net present value of the future cash flows were not significantly altered.

Interest expense of $264,280 (2015 – $254,324) and accretion expense of $13,374 (2015 - $63,065) were recognized during the year in relation to these notes.

7. Notes payable (continued):

(b) The following summaries the Company's convertible promissory notes payable as at and for the years ended November 30, 2016 and 2015:

		2016		2015
$50,000 convertible promissory note (iv)	$	46,868	$	-
$25,000 convertible promissory note (v)		24,790		-
$100,000 convertible promissory note (vi)		90,160		-
Accrued interest		16,910		-
	$	178,728	$	-
Current portion:				
Principle	$	71,658	$	-
Accrued interest	$	2,005	$	-
Long term portion:				
Principle	$	90,160	$	-
Accrued interest	$	14,905	$	-

(i) On December 8, 2015, the Company closed an unsecured loan with a private lender. The promissory note evidencing $56,000 was issued at a discount for proceeds of $50,000. The loan matured on March 31, 2016, was unsecured and bore interest at a rate of 20% per annum payable at the maturity. The note was repaid on July 31, 2016.

(ii) On December 8, 2015, the Company closed an unsecured loan with a private lender (now a director of the Company). The promissory note evidencing $27,778 was issued at a discount for proceeds of $25,000. The loan matured on March 31, 2016, was unsecured and bore interest at a rate of 20% per annum payable at the maturity. The note was repaid on July 31, 2016.

(iii) On February 17, 2016, the Company closed a secured promissory note with a company with an officer who is also an officer of the Company. The promissory note evidencing $100,000 and bearing interest at 12% per annum plus a $10,000 bonus payment was to mature at the earlier of:

i) one year from the closing date;
ii) sixty days after the lender demands repayment, which the lender has the right to demand after May 16, 2016; or
iii) iii) upon the completion of any equity or debt financings or a combination of equity or debt financings that total $100,000.

The loan was secured by a first ranking charge on all assets of the Company. The Company's secured lenders (Note 7(a)) executed a subordination agreement in favor of the lender. The note was repaid on July 31, 2016.

(iv) On July 31, 2016, a private lender subscribed to a secured convertible note in the amount of $50,000, bearing interest at 8% per annum and maturing on July 31, 2017. The note is convertible at $0.20 per share. The net present value of future cash flows of the debt component was determined to be $45,295 using a discount rate of 20% per annum, which was the interest rate of two promissory notes issued in Notes 7(b)(i) and (ii). Accordingly, the conversion feature was assigned a value of $4,705.

(v) On July 31, 2016, a director of the Company subscribed to a secured convertible note in the amount of $25,000, bearing interest at 8% per annum and maturing on December 31, 2016. The note is convertible at $0.20 per share. The net present value of future cash flows of the debt component was determined to be $23,962 using a discount rate of 20% per annum, which was the interest rate of two promissory notes issued in Notes 7(b)(i) and (ii). Accordingly, the conversion feature was assigned a value of $1,038. This note was converted on January 13, 2017 (Note 15).

7. Notes payable (continued):

(vi) On July 31, 2016, a company with an officer who is also an officer of the Company subscribed to a secured convertible note in the amount of $100,000, bearing interest at 8% per annum and maturing on December 31, 2017. The note is convertible at $0.20 per share. The net present value of future cash flows of the debt component was determined to be $87,129 using a discount rate of 20% per annum which was the interest rate of two promissory notes issued in Notes 7(b)(i) and (ii). Accordingly, the conversion feature was assigned a value of $12,871.

The loan was secured by a first ranking charge on all assets of the Company. The Company's secured lenders (Note 7(a)) executed a subordination agreement in favor of the lender.

Interest expense of $33,409 (2015 – $Nil) and accretion expense of $14,210 (2015 - $Nil) were recognized during the year in relation to these notes.

8. Capital stock:

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares and an unlimited number of class A common voting shares.

On April 14, 2016, the Company completed a consolidation of its outstanding share capital on the basis of one post-consolidation share for every twenty five pre-consolidation shares. The quantities of all shares, options, and warrants presented in these consolidated financial statements, and their respective prices, have been retrospectively adjusted to reflect this consolidation.

(b) Shares issued and outstanding

(i) On December 11, 2014, the Company closed a private placement offering (the "December 2014 Offering") of 80,000 units ("Units") at a price of $2.50 per unit with aggregate gross proceeds to the Company of $200,000. Each Unit comprises one common share (a "Share") and one Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one Share at a price of $3.25 at any time within 24 months from the date of issuance of the Warrant. There were 80,000 warrants issued within the December 2014 Offering. A fair value of $99,269, net of warrant issue costs, was assigned to the warrants upon issuance. Share issue costs total $2,600 related to the December 2015 Offering.

(ii) On December 29, 2014, the Company entered into shares for debt agreements with an officer of the Company and a member of the senior management team pursuant to which, subject to regulatory approval, the Company will issue 5,346 of its common shares to the individuals at a deemed price of $6.125 per common share to satisfy $32,747 of outstanding amounts owing to them, which are included in accounts payable and accrued liabilities on the Statement of Financial Position as at November 30, 2014. The shares were issued on January 22, 2015.

8. Capital stock (continued):

(b) Shares issued and outstanding (continued)

(iii) On April 22, 2015, the Company closed a private placement offering (the "April 2015 Offering") of 160,000 units ("Units") at a price of $2.50 per Unit for gross proceeds of up to $400,000. Each Unit comprises one common share of the Company (a "Share") and one Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one Share at a price of $3.75 per Share for a period of 24 months from the date the Warrant is issued. There were 160,000 warrants issued within the April 2015 Offering. A fair value of $131,627, net of warrant issue costs, was assigned to the warrants upon issuance. Share issue costs total $9,464 related to the April 2015 Offering.

Certain persons assisted the Company by introducing potential subscribers for the Offering and were paid a finder's fee of 8% of the total subscription proceeds received from subscribers introduced to the Company by each particular person. Additionally, these persons were issued compensation warrants ("Compensation Warrants") equal to 8% of the total number of Units subscribed for by subscribers introduced to the Company by each particular person. Each Compensation Warrant entitles the holder thereof to purchase one Share at a price of $0.15 per Share for a period of 24 months from the date of the April 2015 Offering. There were 640 Compensation Warrants issued.

(iv) On July 14, 2015, the Company closed a private placement offering (the "July 2015 Offering") of 175,000 units ("Units") at a price of $2.00 per Unit for gross proceeds of up to $350,000. Each Unit comprises one common share of the Company (a "Share") and one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $2.50 per Share for a period of 24 months from the date the Warrant is issued. There were 175,000 warrants issued within the July 2015 Offering. A fair value of $88,045, net of warrant issue costs, was assigned to the warrants upon issuance. Share issue costs total $12,784 related to the July 2015 Offering.

A certain person assisted the Company by introducing potential subscribers for the Offering and was paid a finder's fee of 10% of the total subscription proceeds received from subscribers introduced to the Company by this particular person. Additionally, this person was issued compensation warrants ("Compensation Warrants") equal to 10% of the total number of Units subscribed for by subscribers introduced to the Company by this particular person. Each Compensation Warrant entitles the holder thereof to purchase one Share at a price of $0.10 per Share for a period of 12 months from the date of the July 2015 Offering. There were 800 Compensation Warrants issued.

(v) On October 26, 2015 the Company closed a private placement offering (the "October 2015 Offering") of 108,000 units ("Units") at a price of $1.25 per Unit for gross proceeds of $135,000. Each Unit is comprised of one common share of the Company (a "Share") and one half of one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $2.00 per Share for a period of 12 months from the date the Warrant is issued. There were 54,000 warrants issued within the October 2015 Offering. A fair value of $14,669, net of warrant issue costs, was assigned to the warrants upon issuance. Share issue costs total $6,630 related to the October 2015 Offering.

A certain person assisted the Company by introducing a subscriber for the October 2015 Offering and was paid a finder's fee of 10% of the total subscription proceeds received from the subscriber introduced to the Company by that person.

(vi) On October 24, 2016, the Company closed a private placement offering (the "October 2016 Offering") of 2,045,000 units ("Units") at a price of $0.15 per Unit for gross proceeds of $306,750. Each Unit comprises one common share of the Company (a "Share") and one half of one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $0.25 per Share for a period of 24 months from the date the Warrant is issued. A value of $84,800 was allocated to the warrants upon issuance.

(vii) On July 31, 2016, the Company entered into a shares for debt agreements, which was subject to regulatory approval, with the lenders in Notes 7(b)(i) and (ii) where the Company issued 57,500 of its common shares to the lenders at a deemed price of $0.20 per common share to satisfy $11,500 of outstanding amounts owing to them. The shares were issued on October 24, 2016 having an aggregate fair value at that date of $5,813. Accordingly, a gain of $5,687 is included in contract and debt settlement expense.

8. Capital stock (continued):

(c) Options

The Company has a stock option plan which is administered by the Board of Directors of the Company with stock options granted to directors, management, employees, management company employees and consultants as a form of compensation. The number of common shares reserved for issuance of stock options is limited to a maximum of 10% of the issued and outstanding shares of the Company at any one time.

Changes in the number of options outstanding during the years ended November 30, 2016 and 2015 are as follows and have been restated retrospectively as a result of a share consolidation (Note 8(b)):

	2016		2015	
	Shares	**Weighted average exercise price**	Shares	Weighted average exercise price
Balance, beginning of period	136,300	$ 8.33	138,160	$10.25
Granted	-	-	6,000	1.50
Forfeited, cancelled or expired	(2,480)	31.77	(7,860)	35.00
Balance, end of period	133,820	7.90	136,300	8.33
Options exercisable, end of period	133,820	$ 7.90	136,300	$ 8.33
Weighted average fair value per unit of option granted during the period		$ -		$ 1.10

Options outstanding at November 30, 2016 consist of the following:

Range of exercise prices	Outstanding number	Weighted average remaining contractual life	Weighted average exercise price	Exercisable number
$1.50	6,000	3.75 years	$1.50	6,000
$2.50	60,000	3.00 years	$2.50	60,000
$5.50	43,140	2.67 years	$5.50	43,140
$25.00	22,013	3.78 years	$25.00	22,013
$37.50	1,333	5.73 years	$37.50	1,333
$45.00	1,333	5.73 years	$45.00	1,333
$1.50 - $45.00	133,820	3.11 years	$7.90	133,820

For the year ended November 30, 2016, compensation expense of $Nil (2015 - $6,600) was recorded in selling, general, and administrative expense to recognize options granted.

The compensation expense was determined based on the fair value of the options at the date of measurement using the Black-Scholes option pricing model with the following weighted average assumptions:

	November 30, 2016	**November 30, 2015**
Expected option life	-	5 years
Risk free interest rate	-	0.77%
Dividend yield	-	nil
Expected volatility	-	97.06%

8. Capital stock (continued):

(d) Warrants

Changes in the number of warrants outstanding during years ended November 30, 2016 and 2015 are as follows:

	2016			2015		
	Warrants	Amount	Weighted average exercise price	Warrants	Amount	Weighted average exercise price
Balance, beginning of year	1,331,240	$ 1,180,955	$ 3.00	1,039,578	$ 931,108	$ 3.00
Granted, pursuant to private placement (note 8(b))	1,022,500	84,800	0.25	470,440	334,525	3.25
Granted, pursuant to debt amendment (i)	-	-	-	40,000	131,000	6.25
Exercised (note 8(b))	-	-	-	(23,200)	(20,328)	(3.50)
Expired	875,600	(730,599)	(2.71)	(195,578)	(195,320)	(4.25)
Balance, end of period	1,230,440	$ 535,156	$ 1.22	1,331,240	$ 1,180,955	$ 3.00
Weighted average remaining contractual life (years)			1.51 years			1.76 years

(i) On December 23, 2014, the Company issued 1,000,000 common share purchase warrants with an exercise price of $0.25 per common share and a fair value of $131,000 as part of a debt extinguishment arrangement. The warrants expire on the fifth anniversary of their issuance.

The fair value of warrants was determined at the date of measurement using an option pricing model with the following weighted average assumptions:

	2016	2015
Expected life	2.0 years	1.0 years
Risk free interest rate	0.52%	0.44%
Dividend yield	nil	nil
Expected volatility	160%	115%

(e) Per share amounts

The weighted average number of common shares outstanding for the year ended November 30, 2016 was 2,233,203 (2015 - 1,603,384), respectively. The dilution created by options and warrants has not been reflected in the per share amounts as the effect would be anti-dilutive.

9. Income taxes:

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences because it is not probable that future taxable profit will be available against which the Company can utilize these benefits:

As at November 30, 2016, the following deductible temporary differences have not been recognized:

	2016	2015
Non-capital loss carry-forwards	$ 15,503,000	$ 15,238,000
Scientific research and experimental development expenditures	2,272,000	2,094,000
Intangible assets	1,213,000	1,199,000
Scientific research and experimental development tax credits	470,000	470,000
Share issue costs	303,000	140,000
Property and equipment	220,000	184,000
Other	417,000	654,000

Non-capital losses carried forward expire between 2026 and 2036. Scientific research and experimental development tax credits can be applied against income taxes otherwise payable and expire by 2030. Share issue costs will be deducted over the next 3 years. The remaining temporary differences may be carried forward indefinitely.

10. Finance expense

During the years ended November 30, 2016 and 2015 the Company incurred finance expense (income) as follows:

	2016	2015
Interest and accretion on notes payable (note 7)	$ 325,273	$ 411,787
Bank charges and other interest	18,594	16,666
Interest income	-	(185)
	343,867	$ 428,268

During the years ended November 30, 2016 and 2015, the Company paid finance expense as follows:

	2016	2015
Interest paid (with shares) on secured debt (Note 8(b)(vii))	$ 11,500	$ -
Bank charges and other interest paid	2,330	16,666
Interest received	-	(185)
	$ 13,830	$ 16,481

11. Commitments and contingencies:

(a) Commitments

As at November 30, 2016 and in the normal course of business, the Company has obligations to make future payments, representing contracts and other commitments that are known and committed.

(b) Guarantees

The Company periodically enters into research and license agreements with third parties that include indemnification provisions customary in the industry. These guarantees generally require the Company to compensate the other party for certain damages and costs incurred as a result of claims arising from research and development activities undertaken on behalf of the Company. In some cases, the maximum potential amount of future payments that could be required under these indemnification provisions could be unlimited. These indemnification provisions generally survive termination of the underlying agreement. The nature of the indemnification obligations prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay. Historically, the Company has not made any indemnification payments under such agreements and no amount has been accrued in the accompanying consolidated financial statements with respect to these indemnification obligations.

(b) Royalties

The Company is obligated to pay royalties to PreMD based on any future commercial sales of PreVu® Skin Cholesterol test equal to 10% of gross revenue associated with PreVu® (Note 5). The Company retains the right to buy-out the royalty at any time for a one-time payment of $1,000,000. There were no royalties paid or accrued during the year ended November 30, 2016 (2015 – $Nil).

The Company is obligated to pay royalties to Canada-Israel Industrial Research and Development Foundation ("CIIRDF") based on any future product revenues, if any, from the exploitation of the preeclampsia technology contemplated in the project funding agreement equal to 2.5 percent up to a maximum of the amounts funded under the agreement. To November 30, 2016, no royalties are due and/or payable.

The Company is obligated to pay a royalty to MSH, subject to minimum annual royalties, of a stipulated percentage of the net sales of licensed products related to the worldwide rights to commercialize a portfolio of biomarkers for use in developing diagnostic assays for the early detection of preeclampsia, if any, along with other milestone payments. If the Company sub-licenses any rights under the MSH Agreement to a third party, the Company shall pay MSH a stipulated percentage of sub-license fee and sub-license royalty fee. No royalties were paid to MSH during the year ended November 30, 2016 (2015 – $Nil).

12. Related party transactions:

(a) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, President & CEO and Chief Financial Officer are key management personnel.

In addition to their salaries, the Company also provides non-cash benefits and participation in the Stock Option Plan (Note 8(c)).

Compensation paid to key management personnel for the years ended November 30, 2016 and 2015 is as follows:

	2016	2015
Salaries, fees and short-term employee benefits	$ 186,000	$ 265,667

12. Related party transactions (continued):

(b) Key management personnel and shareholder transactions

Directors and key management personnel controlled twenty (20) percent (2015 - one (1) percent) of the voting shares of the Company as at November 30, 2016.

The Company has an on-going consulting agreement with a shareholder to provide services as needed from time to time. For the year ended November 30, 2016, $nil (2015 - $28,455), has been recorded in selling, general and administration expenses relating to this consulting agreement.

13. Determination of fair values:

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following models. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Intangible assets

The fair value of intangible assets is determined for impairment testing purposes based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(b) Share-based payment transactions

The fair value of the employee share options is measured using the Black-Scholes formula. Measurement inputs include; share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(c) Royalty obligation

The royalty obligation was recorded at its fair value at the date at which the liability was incurred and was subsequently revalued at each reporting date. Estimating fair value for this liability required determining the most appropriate valuation model which was dependent on its underlying terms and conditions. This estimate also required determining expected revenue from PreVu® sales, the expected timing of a buy-out of the royalty obligation and an appropriate discount rate and making assumptions about them.

14. Financial instruments:

(a) Financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the consolidated financial statements:

	Carrying Amount November 30, 2016	Fair Value November 30, 2016	Carrying Amount November 30, 2015	Fair Value November 30, 2015
Financial Assets				
Loans and receivable				
Cash	$ 133,134	$ 133,134	$ 1,997	$ 1,997
Accounts receivable	40,435	40,435	9,010	9,010
Financial Liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities	$ 1,260,495	$ 1,260,495	$ 1,017,766	$ 1,017,766
Secured debt (Note 7(a))	2,482,867	2,482,867	1,597,560	1,597,560
Convertible debt (Note 7(b))	178,728	178,728	467,253	467,253

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. The carrying values of current monetary assets and liabilities approximate their fair values due to their relatively short periods to maturity. The fair value of the Company's secured debt is estimated to approximate its carrying value based on the terms of the secured debt.

IFRS 13 *Fair Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in measuring fair value. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
- Level 3 - Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.
-

The fair value hierarchy of financial instruments measured at fair value on the Statements of Financial Position as at November 30, 2016 is as follows:

	Level 1	Level 2	Level 3
Financial Liabilities			
Cash	133,134	-	-

The fair value hierarchy of financial instruments measured at fair value on the Statements of Financial Position as at November 30, 2015 is as follows:

	Level 1	Level 2	Level 3
Financial Liabilities			
Cash	1,997	-	-

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the years ended November 30, 2016 and 2015, there were no transfers between Levels 1, 2, and 3 of the fair value hierarchy.

14. Financial instruments (continued):

(b) Risks arising from financial instruments and risk management:

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risks), credit risk and liquidity risk. The Company identifies, evaluates and, where appropriate, mitigates financial risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The audit committee of the board is responsible to review the Company's risk management policies.

(i) Market Risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings or financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign exchange risk

The Company operates primarily within Canada although a portion of its expenses are incurred in other countries primarily the United States dollars ("US dollar"). Foreign exchange risk arises because the cost of transactions denominated in foreign currencies may vary due to changes in exchange rates. The Company has not entered into foreign exchange derivative contracts. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar would not have a significant effect on the Company's results of operations, financial position or cash flows.

As at November 30, 2016, the Company is exposed to currency risk through its cash and accounts payable denominated in US dollars. Based on the net exposures as at November 30, 2016, and assuming that all other variables remain constant, a 5% appreciation or deterioration of the Canadian dollar against the US dollar would not be significant.

Interest rate risk

The Company is subject to interest rate risk on its cash and secured debt. The Company believes that interest rate risk is low as the Company does not hold any term deposits and interest earned on cash equivalents is variable. The long-term debt is at a fixed interest rate. A change of 1% in interest rates over the year ended November 30, 2016 would not have had a significant effect on loss for the period.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's accounts receivable. The carrying amount of financial assets represents the maximum credit exposure. The Company believes there is insignificant credit risk associated with its accounts receivable based on the nature of the counterparties.

Financial instruments that potentially expose the Company to significant concentrations of credit risk consist principally of cash. The Company has investment policies to mitigate against the deterioration of principal and to enhance the Company's ability to meet its liquidity needs.

(iii) Liquidity and Funding Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due and to fund future operations. The Company manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional financing based on those forecasts (note 2(c)).

Funding risk is the risk that market conditions will impact the Company's ability to raise capital through equity markets under acceptable terms and conditions. The Company manages its funding risk by forecasting its cash needs on a regular basis and continuously monitoring the stock price and other market conditions.

14. Financial instruments (continued):

(c) Capital management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern in order to pursue the development of its products and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable level; and
- To provide an adequate return to shareholders commensurate with the level of risk associated with a development stage biotechnology company.

The capital structure of the Company consists of cash, long-term debt and equity comprising, issued capital, contributed surplus, warrants, and stock options.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, granting of stock options, the issuance of debt or by undertaking other activities as deemed appropriate under the specific circumstances. The Company's overall strategy with respect to capital risk management remains unchanged from the year ended November 30, 2015.

The Company is not subject to externally imposed capital requirements. In order to maximize ongoing research and development of its products, the Company does not pay out dividends.

15. Subsequent events

(a) Contract settlement (Note 6)

(b) On December 28, 2016, the Company completed a non-brokered private placement issuing 5,050,609 units at $0.225 per unit for gross proceeds of $1,136,388. Each unit comprises one common share and one half of one common share purchase warrant exercisable at $0.30 for 24 months.

(c) On January 1, 2017, the Company issued a total of 150,000 stock options to consultants of the Company with each option being exercisable for one common share at a price of $0.285 for 36 months.

(d) On January 13, 2017, the $25,000 convertible debenture (Note 7(b)(v)) was converted at $0.20 per share; 125,000 common shares were issued.

(e) On January 19, 2017, the Company issued a total of 500,000 stock options with each option being exercisable for one common share at a price of $0.45 for 36 months; 450,000 of these options were issued to the Company's directors and officers and 50,000 were issued to the Company's consultants.

(f) On February 23, 2017, 66,667 warrants of the Company were exercised at $0.25 per share for gross proceeds of $16,667.

APPENDIX D

UNAUDITED FINANCIAL STATEMENTS DATED AUGUST 31, 2017

Financial Statements
(Expressed in Canadian Dollars)

LUMINOR MEDICAL TECHNOLOGIES INC.
(Formerly Miraculins Inc.)

Three and nine months ended August 31, 2017
(unaudited)

In accordance with National Instruments 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed these unaudited financial statements for the three and nine months ended August 31, 2017

LUMINOR MEDICAL TECHNOLOGIES INC. (Formerly Miraculins Inc.)

Condensed Interim Statements of Financial Position
(Unaudited)

	Note	August 31, 2017	November 30, 2016
Assets			
Current assets:			
Cash		$ 138,731	$ 133,134
Accounts receivable		98,502	40,435
Prepaid expenses		66,247	4,271
Total current assets		303,480	177,840
Non-current assets:			
Property and equipment		251,545	265,779
Total assets		**$ 555,025**	**$ 443,619**
Liabilities and Shareholders' Deficiency			
Current liabilities:			
Accounts payable and accrued liabilities		$ 1,048,461	$ 1,260,495
Convertible notes	4	146,975	71,658
Accrued interest on debt	4	16,425	2,005
Total current liabilities		1,211,860	1,334,158
Non-Current liabilities:			
Secured promissory notes	4	$ 1,611,334	$ 1,611,334
Convertible notes		-	90,160
Accrued interest	4	1,088,884	886,438
Total non-current liabilities		2,700,218	2,587,932
Shareholders' deficiency:			
Share capital	5	15,822,796	15,027,395
Shares to be issued		50,000	15,000
Contributed surplus		5,132,042	4,578,362
Warrants	5	562,884	535,156
Deficit		(24,924,776)	(23,634,384)
Total deficiency		(3,357,054)	(3,478,471)
Going concern	2(c)		
Commitments and contingencies	6		
Total liabilities and equity		**$ 555,025**	**$ 443,619**

On behalf of the Board:

"Christian Sauvageau"
Director

"Harry Bloomfield"
Director

The accompanying notes are an integral part of these financial statements

LUMINOR MEDICAL TECHNOLOGIES INC. (Formerly Miraculins Inc.)

Condensed Interim Statements of Net Loss and Comprehensive Loss
(Unaudited)

		Three months		Nine months	
Periods ended August 31	**Note**	**2017**	**2016**	**2017**	**2016**
Revenues					
Product sales and other income		$	$ -	$ -	$ -
			-		-
Expenses					
Selling, general and administration		196,674	119,369	812,652	404,947
Stock based compensation		-	-	235,363	-
		196,674	119,369	1,048,015	404,947
Other income (expenses)					
Finance expense		(81,308)	(80,115)	(239,882)	(257,545)
Foreign exchange loss, net		-	-	(2,494)	(498)
Net other income (expenses)		(81,308)	(80,115)	(242,377)	(258,043)
Net loss and comprehensive loss for the period		$ (277,983)	$ (199,484)	$ (1,290,392)	$ (662,989)
Basic and diluted loss per share	5	$ (0.03)	$ (0.10)	$ (0.15)	$ (0.33)

The accompanying notes are an integral part of these financial statements

LUMINOR MEDICAL TECHNOLOGIES INC. (Formerly Miraculins Inc.)

Condensed Interim Statements of Changes in Shareholders' Deficiency
(Unaudited)

	Note	Number of Shares	Share Capital	Shares to be issued	Contributed surplus	Warrant reserve	Accumulated deficit	Total deficiency
Balance, November 30, 2015		2,020,653	$14,803,770	$ -	$3,829,149	$1,180,955	$(22,525,742)	$(2,711,868)
Loss and comprehensive loss for the period			-	-	-	-	(662,989)	(662,989)
Balance, August 31, 2016		2,020,653	$14,803,770	$ -	$3,829,149	$1,180,955	$(23,188,931)	$(3,375,057)
Balance, November 30, 2016		4,123,153	$15,027,395	$ 15,000	$4,578,362	$535,156	$(23,634,384)	$(3,478,472)
Loss and comprehensive loss for the period			-	-	-	-	(1,290,392)	(1,290,392)
Transactions with owners, recorded directly in equity								
Issue of common shares on private placement	5	5,050,609	1,151,388	(15,000)	-	-	-	1,136,388
Issue of common shares on exercise of warrants	5	88,889	31,814	-	-	(8,480)	-	23,333
Issue of common shares on conversion of debenture	5	125,000	26,038	-	(1,038)	-	-	25,000
Warrants granted on private placement	5		(316,371)	-	-	355,564	-	39,193
Shares to be issued			-	50,000	-	-	-	50,000
Share issue costs			(97,467)	-	-	-	-	(97,467)
Warrants expired			-	-	319,355	(319,355)	-	-
Stock based compensation			-	-	235,363	-	-	235,363
Total transactions with owners		5,264,498	795,402	35,000	553,680	27,729	(1,290,392)	(121,418)
Balance, August 31, 2017		9,387,651	$ 15,822,796	$ 50,000	$ 5,132,041	$ 562,884	$(24,924,776)	$(3,357,054)

The accompanying notes are an integral part of these financial statements

LUMINOR MEDICAL TECHNOLOGIES INC. (Formerly Miraculins Inc.)

Condensed Interim Statements of Cash Flows
(Unaudited)

	Note	Nine months ended August 31 2017	2016
Cash provided by (used in)			
Operating activities:			
Net loss for the period		$ (1,290,392)	$ (662,989)
Items not involving cash:			
Amortization		14,234	15,191
Amortization of intangible assets		-	-
Finance expense	4	219,918	257,545
Stock based compensation		235,363	-
Change in non-cash working capital balances:			
Accounts receivable		(58,067)	(10,107)
Prepaid expenses		(61,976)	74,389
Accounts payable and accrued liabilities		(212,034)	168,342
		(1,152,954)	(157,630)
Financing activities:			
Issuance of common shares and warrants, net of share issue costs	5	1,108,552	-
Shares to be issued		50,000	-
Proceeds from debt financing	4	-	163,171
		1,158,552	163,171
Increase (decrease) in cash		5,598	5,542
Cash, beginning of the period		133,134	1,997
Cash, end of the period		$ 138,731	$ 7,539

The accompanying notes are an integral part of these financial statements

1. Reporting entity:

Luminor Medical Technologies Inc (Formerly Miraculins Inc.) (the "Company") is a company domiciled and incorporated in Canada. The address of the Company's registered office is 201-179 McDermot Avenue, Winnipeg, Manitoba, Canada. The Company's common shares are publicly traded on the TSX Venture Exchange. The Company has as its main focus the acquisition and/or development of diagnostic opportunities in areas where there are unmet clinical needs. The Company's primary technology program is in the area of diabetes as the Company acquired all the assets related to the Scout DS®, a diabetes screening technology on July 31, 2013.

2. Basis of preparation of financial statements:

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB").

The financial statements were authorized for issue by the Board of Directors on October 30, 2017.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for derivative financial instruments which are measured at fair value.

(c) Going concern

These financial statements have been prepared on a going concern basis in accordance with IFRS. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. There are material uncertainties that cast significant doubt about the Company's ability to continue as a going concern as the Company has experienced operating losses and cash outflows from operations since incorporation and has accumulated a deficit of $24,924,776 as at August 31, 2017 (November 30, 2016 - $23,634,384) and a working capital deficiency of $908,380 (November 30, 2016 - $1,156,318).

Management has forecast that expected expenditure levels and contracted commitments will exceed the Company's net cash inflows and working capital during the fourth quarter of fiscal 2017 unless further financing is obtained. Additional sources of funding will be required commencing in the fourth quarter of fiscal 2017 to carry on operations. The Company's future operations including the manufacturing of the Scout DS® are dependent upon its ability to secure additional funds, generate product sales, negotiate collaboration or license agreements with upfront payments, and/or obtain research grant funding. While the Company is striving to achieve these plans, there is no assurance that these and other strategies will be achieved or such sources of funds will be available or obtained on favourable terms or obtained at all. Historically, the Company has obtained funding via the issuance of shares and warrants and long term debt. If the Company cannot secure additional financing on terms that would be acceptable to it, generate product sales, negotiate collaboration or license agreements with upfront payments, and/or obtain research grant funding, the Company will have to consider additional strategic alternatives which may include, among other strategies, cost curtailments, delays of product launch and exploring the monetization of certain intangible assets, as well as seeking to out license and/or divest assets or a merger, sale or liquidation of the Company. Any divestiture of assets would be subject to the satisfaction of obligations under the security interests described in Note 4.

2. Basis of preparation of financial statements (continued):

(c) Going concern (continued)

The ability of the Company to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities and commitments when due is dependent on many factors, including, but not limited to the successful completion of the actions taken or planned, some of which are described above, which are intended to mitigate the adverse conditions and material uncertainties that cast significant doubt about the validity of the going concern assumption used in preparing these consolidated financial statements. There can be no assurance that the Company will be able to obtain sufficient financing to meet future operational needs or that the above described and other strategies will be sufficient to permit the Company to continue as a going concern.

These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications used.

(d) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented has been rounded to the nearest dollar except where indicated otherwise.

(e) Use of significant estimates and judgments

The preparation of these financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Areas where management has made critical judgments in the process of applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the commencement of the period of use of acquired intellectual property.

Information about key assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes to the financial statements:

- Note 3e(ii): The measurement and period of use of acquired intellectual property
- Note 3e(iii): The measurement and period of use of patents and trademarks
- Note 3g(ii): The assumptions and valuation technique used to estimate the value of share-based payment transactions
- Note 7: The assumptions used to fair value the debt component of convertible debentures on initial recognition.

3. New standards and interpretations not yet adopted (continued)

IFRS 9 *Financial Instruments: Classification and Measurement*

IFRS 9 replaces the guidance in IAS 39 *Financial Instruments: Recognition and Measurement,* on the classification and measurement of financial assets. The Standard eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivables.

Financial assets will be classified into one of two categories on initial recognition:

- financial assets measured at amortized cost; or
- financial assets measured at fair value.

Under IFRS 9, for financial liabilities measured at fair value under the fair value option, changes in fair value attributable to changes in credit risk will be recognized in other comprehensive income ("OCI"), with the remainder of the change recognized in profit and loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively with some exemptions.

IFRS 15, *Revenue from Contracts with Customers*

IFRS 15, *Revenue from Contracts with Customers*, issued by the IASB in May 2014, is applicable to all revenue contracts and provides a model for the recognition and measurement of gains or losses from sales of some non-financial assets. The core principle is that revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively [for example, service revenue and contract modifications] and improve guidance for multiple-element arrangements. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively, with earlier adoption permitted. Entities will transition following either a full or modified retrospective approach. The Company is currently evaluating the impact of the above standard on its financial statements.

Amendments to IAS 1, *Presentation of Financial Statements*

On December 18, 2014 the IASB issued amendments to IAS 1 as part of its major initiative to improve presentation and disclosure in financial reports (the "Disclosure Initiative"). The amendments are effective for annual period beginning on or after January 1, 2016. Early adoption is permitted. These amendments will not require any significant change to current practice, but should facilitate improved financial statement disclosures. The Company intends to adopt these amendments in its financial statements for the annual period beginning on January 1, 2016. The extent of the impact of adoption of the amendments has not yet been determined.

IFRS 16, *Leases*

This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, *Leases*, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. The new standard is effective for annual periods beginning on or after January 1, 2019, which is when the Company intends to adopt IFRS 16 in its financial statements. The extent of the impact of adoption of the standard has not yet been determined.

4. Notes payable

(a) The following summaries the Company's promissory notes payable as at August 31, 2017 and November 30, 2016 and for the nine months ended August 31, 2017 and 2016:

	August 31 2017	November 30 2016
Long term:		
$1,611,334 secured promissory note (i)	1,611,334	1,611,334
Accrued interest	1,088,884	731,533
Deferred financing charges	140,000	140,000
	$ 2,840,218	$ 2,482,867

(i) On November 19, 2015, a $1,000,000 non-convertible secured loan agreement, which was originally issued on October 12, 2011 and subsequently modified to mature on December 31, 2015, was extended to March 31, 2016 with accrued interest (12% per annum) due on April 30, 2016. The loan matured during the year ended November 30, 2016 and was combined into a new secured promissory note on June 16, 2016. Accrued interest of $397,283 and deferred financing charges of $70,000 were also combined into the new promissory note.

On November 19, 2015, a $611,334 non-convertible secured loan agreement, which was originally issued in three tranches between January 10, 2014 and March 20, 2014 and subsequently modified to mature on December 31, 2015, was extended to March 31, 2016 with accrued interest (12% per annum) due on April 30, 2016. The loan matured during the year ended November 30, 2016 and was combined into a new secured promissory note on June 16, 2016. Accrued interest of $214,909 and deferred financing charges of $70,000 were also combined into the new promissory note.

On June 16, 2016, the Company entered into an amending agreement whereby it combined the notes described in 7(a)(i) and (ii) together with accrued interest and deferred financing charges into a new secured promissory note. The note continues to bear interest at 12% per annum, compounded quarterly, and is to be repaid as follows:

- $300,000 due on December 31, 2018;
- $400,000 due on December 31, 2019;
- $600,000 due on December 31, 2020; and
- $311,334 plus all accrued interest and any other amounts due on December 31, 2021.
- The principal and interest payments will be accelerated based on payments of ten percent (10%) of all gross sales on Scout Corp Assets.

The note is secured by a general security interest in favor of the lender over all tangible and intangible assets of the Company's subsidiary Scout Assessment Corp., excluding the assets relating to the Scout DS®, which were acquired on July 31, 2013.

The loan has been accounted for as a modification of the previous two loans, in accordance with IAS 39 paragraph 40, as the net present value of the future cash flows were not significantly altered.

Interest expense of $217,351 (August 31, 2016 – $200,788) and accretion expense of $Nil (August 31, 2016 - $13,374) were recognized during the period in relation to these notes.

4. Notes payable (continued):

(b) The following summaries the Company's convertible promissory notes payable as at August 31, 2017 and November 30, 2016 and for the nine months ended August 31, 2017 and 2016:

		August 31 2017		November 30 2016
$50,000 convertible promissory note (i)	$	50,000	$	46,868
$25,000 convertible promissory note (ii)		-		24,790
$100,000 convertible promissory note (iii)		96,975		90,160
Accrued interest		16,134		16,910
	$	163,109	$	178,728
Current portion:				
Principle	$	146,975	$	71,658
Accrued interest	$	16,134	$	2,005
Long term portion:				
Principle	$	-	$	90,160
Accrued interest	$	-	$	14,905

(i) On July 31, 2016, a private lender subscribed to a secured convertible note in the amount of $50,000, bearing interest at 8% per annum and maturing on July 31, 2017. The note is convertible at $0.20 per share. The net present value of future cash flows of the debt component was determined to be $45,295 using a discount rate of 20% per annum. Accordingly, the conversion feature was assigned a value of $4,705.

(ii) On July 31, 2016, a director of the Company subscribed to a secured convertible note in the amount of $25,000, bearing interest at 8% per annum and maturing on December 31, 2016. The note is convertible at $0.20 per share. The net present value of future cash flows of the debt component was determined to be $23,962 using a discount rate of 20% per annum. Accordingly, the conversion feature was assigned a value of $1,038. The loan was converted to 125,000 common shares during the period ended August 31, 2017.

(iii) On July 31, 2016, a company with a common officer subscribed to a secured convertible note in the amount of $100,000, bearing interest at 8% per annum and maturing on December 31, 2017. The note is convertible at $0.20 per share. The net present value of future cash flows of the debt component was determined to be $87,129 using a discount rate of 20% per annum. Accordingly, the conversion feature was assigned a value of $12,871.

Interest expense of $9,515 (August 31, 2016 – $Nil) and accretion expense of $10,156 (August 31, 2016 - $Nil) were recognized during the period in relation to these notes.

5. Capital stock:

(a) Authorized

The Company has authorized share capital of an unlimited number of common voting shares and an unlimited number of class A common voting shares.

On April 14, 2016, the Company completed a consolidation of its outstanding share capital on the basis of one post-consolidation share for every twenty five pre-consolidation shares.

(b) Shares issued and outstanding

(i) On October 24, 2016, the Company closed a private placement offering (the "October 2016 Offering") of 2,045,000 units ("Units") at a price of $0.15 per Unit for gross proceeds of $306,750. Each Unit comprises one common share of the Company (a "Share") and one half of one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $0.25 per Share for a period of 24 months from the date the Warrant is issued. A value of $84,800 was allocated to the warrants upon issuance.

(ii) On July 31, 2016, the Company entered into a shares for debt agreements, which was subject to regulatory approval, with the lenders in Notes 7(b)(i) and (ii) where the Company issued 57,500 of its common shares to the lenders at a deemed price of $0.20 per common share to satisfy $11,500 of outstanding amounts owing to them. The shares were issued on October 24, 2016 having an aggregate fair value at that date of $5,813. Accordingly, a gain of $5,687 is included in contract and debt settlement expense.

(iii) On December 28, 2016, the Company closed a private placement offering (the "December 2016 Offering") of 5,050,609 units ("Units") at a price of $0.225 per Unit for gross proceeds of $1,136,388. Each Unit comprises one common share of the Company (a "Share") and one half of one Share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to purchase one Share at a price of $0.30 per Share for a period of 24 months from the date the Warrant is issued. A value of $316,371 was allocated to the warrants upon issuance. $97,467 of share issued costs were paid on the December 2016 Offering including the issuance of 137,280 broker warrants exercisable at $0.30 per a period of two years with a value of $39,193.

(iv) On December 31, 2016, the $25,000 convertible debenture (Note 4(b)(i)) was converted at $0.20 per share; 125,000 common shares were issued.

(v) On February 23, 2017, 66,667 warrants of the Company were exercised at $0.25 per share for gross proceeds of $16,667.

(vi) On April 13, 2017, 22,222 warrants of the Company were exercised at $0.30 per share for gross proceeds of $6,667

5. Capital stock (continued):

(c) Options

The Company has a stock option plan which is administered by the Board of Directors of the Company with stock options granted to directors, management, employees, management company employees and consultants as a form of compensation. The number of common shares reserved for issuance of stock options is limited to a maximum of 10% of the issued and outstanding shares of the Company at any one time.

Changes in the number of options outstanding during the nine months ended August 31, 2017 and 2016 are as follows:

	2017		2016	
	Shares	**Weighted average exercise price**	Shares	Weighted average exercise price
Balance, beginning of period	133,820	$ 7.90	136,300	$ 8.33
Granted	650,000	0.41	-	-
Forfeited, cancelled or expired	(105,820)	8.30	(1,680)	35.00
Balance, end of period	678,000	0.66	134,620	8.00
Options exercisable, end of period	678,000	$ 0.66	134,620	$ 8.00
Weighted average fair value per unit of option granted during the period		$ 0.36		$ -

Options outstanding at August 31, 2017 consist of the following:

Range of exercise prices	Outstanding number	Weighted average remaining contractual life	Weighted average exercise price	Exercisable number
$0.285	150,000	1.00 years	$0.285	150,000
$0.45	500,000	2.37 years	$0.45	500,000
$1.50	6,000	3.00 years	$1.50	6,000
$2.50	10,800	2.25 years	$2.50	10,800
$5.50	7,080	1.92 years	$5.50	7,080
$25.00	4,120	2.34 years	$25.00	4,120
$0.285 - $45.00	678,000	2.08 years	$0.71	678,000

For the nine months ended August 31, 2017, compensation expense of $235,363 (August 31, 2016 - $nil) was recorded in selling, general, and administrative expense to recognize options granted.

The compensation expense was determined based on the fair value of the options at the date of measurement using the Black-Scholes option pricing model with the following weighted average assumptions:

	August 31, 2017	**August 31, 2016**
Expected option life	1-5 years	-
Risk free interest rate	0.52%	-
Dividend yield	nil	-
Expected volatility	160%	-

5. Capital stock (continued):

(d) Warrants

Changes in the number of warrants outstanding during the six months ended August 31, 2017 and 2016 are as follows:

	2017			2016		
	Warrants	Amount	Weighted average exercise price	Warrants	Amount	Weighted average exercise price
Balance, beginning of period	1,478,140	$ 535,156	$ 1.22	1,331,240	$ 1,108,955	$ 3.00
Granted, pursuant to private placement (note 5(b))	2,525,303	316,371	0.30	-	-	-
Granted, broker warrants on private placement (note 5(b))	137,280	39,193	0.30	-	-	-
Exercised (note 5(b))	(88,889)	(8,480)	(0.26)	-	-	-
Expired (i)	(415,640)	(319,355)	(3.13)	100,800	(56,507)	(3.75)
Balance, end of period	3,636,194	$ 562,884	$ 0.35	1,230,440	$ 1,124,448	$ 2.89
Weighted average remaining contractual life (years)			1.29 years			0.48 years

The fair value of warrants was determined at the date of measurement using an option pricing model with the following weighted average assumptions:

	2017	2016
Expected life	2.0 years	-
Risk free interest rate	0.52%	-
Dividend yield	nil	-
Expected volatility	160%	-

(i) On December 11, 2016, 80,000 warrants with an exercise price of $3.25 expired. On April 22, 2017, 160,640 warrants with an exercise price of $3.75 expired.

(e) Per share amounts

The weighted average number of common shares outstanding for the three and nine months ended August 31, 2017 was 9,387,651 and 8,827,785 (August 31, 2016 – 2,020,653 and 2,020,653), respectively. The dilution created by options and warrants has not been reflected in the per share amounts as the effect would be anti-dilutive.

6. Commitments and contingencies:

(a) Commitments

As at August 31, 2017 and in the normal course of business, the Company has obligations to make future payments, representing contracts and other commitments that are known and committed.

(b) Guarantees

The Company periodically enters into research and license agreements with third parties that include indemnification provisions customary in the industry. These guarantees generally require the Company to compensate the other party for certain damages and costs incurred as a result of claims arising from research and development activities undertaken on behalf of the Company. In some cases, the maximum potential amount of future payments that could be required under these indemnification provisions could be unlimited. These indemnification provisions generally survive termination of the underlying agreement. The nature of the indemnification obligations prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay. Historically, the Company has not made any indemnification payments under such agreements and no amount has been accrued in the accompanying consolidated financial statements with respect to these indemnification obligations.

(b) Royalties

The Company is obligated to pay royalties to PreMD based on any future commercial sales of PreVu® Skin Cholesterol test equal to 10%of gross revenue associated with PreVu® (Note 10). The Company retains the right to buy-out the royalty at anytime for a one-time payment of $1,000,000. There were no royalties paid or accrued during the nine months ended August 31, 2017 (August 31, 2016 – nil).

The Company is obligated to pay royalties to Canada-Israel Industrial Research and Development Foundation ("CIIRDF") based on any future product revenues, if any, from the exploitation of the preeclampsia technology contemplated in the project funding agreement equal to 2.5 percent up to a maximum of the amounts funded under the agreement. To August 31, 2017, no royalties are due and/or payable.

The Company is obligated to pay a royalty to MSH, subject to minimum annual royalties, of a stipulated percentage of the net sales of licensed products related to the worldwide rights to commercialize a portfolio of biomarkers for use in developing diagnostic assays for the early detection of preeclampsia, if any, along with other milestone payments. If the Company sub-licenses any rights under the MSH Agreement to a third party, the Company shall pay MSH a stipulated percentage of sub-license fee and sub-license royalty fee (note 6). No royalties were paid to MSH during the nine months ended August 31, 2017 (August 31, 2016 – nil).

7. Related party transactions:

(a) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, President & CEO and Chief Financial Officer are key management personnel.

In addition to their salaries, the Company also provides non-cash benefits and participation in the Stock Option Plan (Note 5 (c)). Compensation paid to key management personnel for the periods ended August 31 2017 and 2016 is as follows:

	2017	2016
Salaries, fees and short-term employee benefits	$ 233,000	$ 61,500
Stock based compensation	165,634	-
	$ 398,634	$ 61,500

(b) Key management personnel and shareholder transactions

Directors and key management personnel controlled fourteen (14) percent (November 30, 2016 - twenty (20) percent) of the voting shares of the Company as at August 31, 2017.

8. Subsequent events

(a) On September 28, 2017, the company acquired 100% of the outstanding shares of Jamaica-Blu Ltd. (“J-BLU”). J-BLU holds the exclusive Canadian licence of all current and future cannabis commercial products developed by Rise Research Inc. (“RISE”). RISE’s cannabis commercial products are based on a patent pending formula, currently filed with the U.S. Patent and Trademark Office, to create precise cannabis-based formulations that may produce specifically targeted effects for various ailments including diabetes. Currently, RISE’s portfolio consists of cannabis-based formulations which support patients with low libido called Jamaica blū and Jamaica pnk. Under the terms of the acquisition, the company issued 9,500,000 common shares to the shareholders of J-BLU and paid $200,000 to RISE for intellectual property access.

(b) On September 28, 2017, the company completed a non-brokered private placement through the issuance of 14,948,798 units (“Units”) at a price of $0.15 per Unit for gross proceeds of $2,242,319.70 (the “Offering”). Each Unit is comprised of one common share (“Common Share”) of the Company and one-half of one Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common Share until September 27, 2019 at a price of $0.25 per Common Share. The proceeds of the Offering will be used for general working capital purposes. All securities issued in connection with the Offering are subject to a statutory hold period until January 28, 2018 in accordance with applicable securities legislation.